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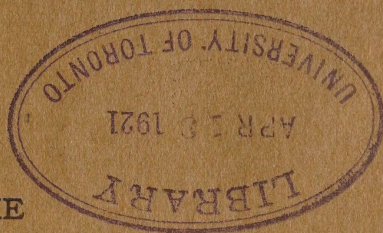
DEPARTMENT OF TRADE AND COMMERCE

TRADING WITH EGYPT

BY

W. McL. CLARKE

Canadian Government Trade Commissioner to Italy



Issued by Authority of the Right Hon. Sir George E. Foster, P.C., G.C.M.G.

Minister of Trade and Commerce

Price outside Canada, 35 cents

OTTAWA

THOMAS MULVEY

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

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Key to Egyptian Currency, Weights and Measures

1£E. equals 100 piastres, equals £1 stg. 0s. 6.15d., that is at par 97.5 piastres equals £1 stg. For purposes of ready calculation an Egyptian pound may be represented at \$5 and every piastre at .05 cents.

1 kilogramme equals $2\frac{1}{2}$ pounds.

1 Cantar equals 99 pounds.

1 Rotl equals .99 pounds.

1 Ardeb equals 5.4 bushels.

1 Oke equals 2.75 pounds.

1 Feddan equals 5 square yards or 1.03 acres.

1 Tallari equals 20 piastres.

Although other weights and measures are used in Egypt there has been no occasion to employ them in this report and their equivalents are not here considered of interest. In connection with the cotton industry, however, it may be of interest to point out that 1 bale of steam-pressed cotton weighs 7.75 cantars, 1 bale of cotton pressed hydraulically 8.50 cantars, and 1 ardeb of cotton seed 267 pounds, or $8\frac{1}{2}$ ardebs of cotton seed are equivalent to 1 ton.

Throughout this report for practical purposes, the writer has taken the cantar as equal to 100 pounds, the feddan as equal to 1 acre, and the ardeb as equal to $5\frac{1}{2}$ bushels.

TRADING WITH EGYPT

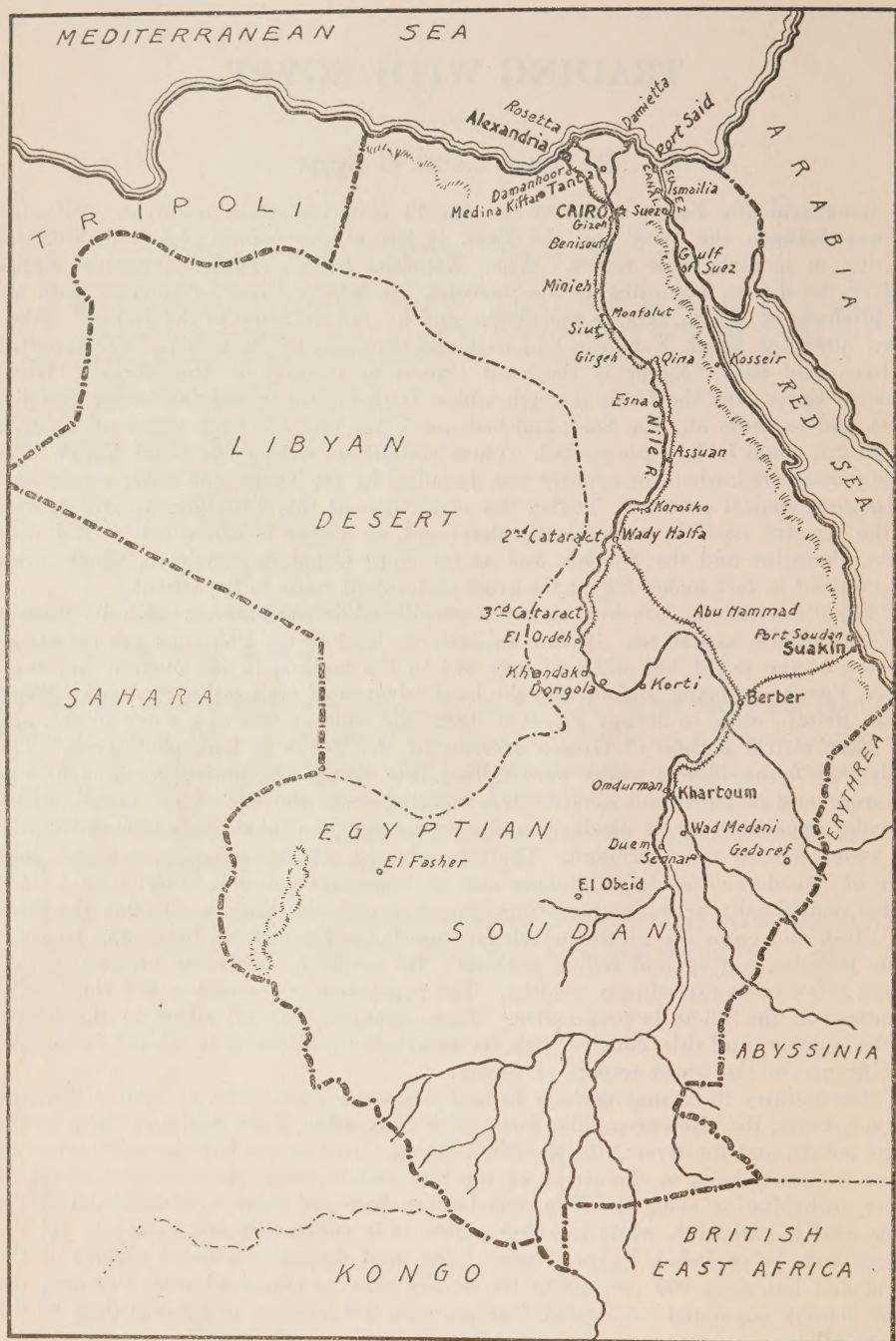
The Trade Claims of Egypt

Geographically Egypt is one of the world's most important countries. Situated midway between the West and the East, it has always commanded a dominating position in modern trade routes. When Napoleon led an expedition against Egypt in 1798, he did so, according to his memoirs, "to supply French commerce with all the products of Africa, Arabia and Syria, and to lead an army to the Indies." Also, in an interview which Napoleon had with the Governor of St. Helena, he is reported to have said that "Egypt is the most important country in the world." Why? Because Egypt was the focus through which trade routes passed to Europe and the West, and to India and the East, and because it was the base from which all Eastern campaigns could be best prosecuted. These statements were made about Egypt, it is to be remembered, when the country was despoiled by the Turks, and solely on account of its geographical position. To-day the advantages of this situation are still greater as the country itself is economically developed, as Egypt is connected by rail with Syria, Palestine and the Soudan, and as the Suez Canal is completed, which latter achievement in fact makes Egypt the great archway of trade to the Orient.

Egypt's situation, however, must be considered in conjunction with its present economic wealth and status. In Roman days the land of the Pharaohs was called the granary of the world, but while history was in the making in the modern European states, Egypt was being undone and the local advance of civilization retarded. When Great Britain came to occupy Egypt in 1882, the country was in a sorry plight, and the same pitiful picture of Greece overrun by the Turks is here phototyped. The fields were lying fallow, towns were falling into decay, the native government was bankrupt and helpless, and taxation was wearing away the life of the people, whose everyday experience was a drudgery and a reproach. The inhabitants were dying and the state economy was moribund. The transition of this dying nation to a revived state of considerable modern influence and an important factor in international trade is due undoubtedly to the invigorating impact of our own Empire. To-day the fields are tilled, and crops are grown, which fact precludes Egypt from being any longer a trade parasite, buying and selling nothing. Its people have become prosperous, and in not a few cases exceedingly wealthy. The population is increasing and the administration on the whole is progressive. These changes have all added to the wealth of the country, and this, coupled with its geographic position, gives Egypt its unique significance to the world traders of to-day.

The country itself may perhaps be best compared graphically, to a boy's kite, the Delta forming the kite's triangular piece, with Alexandria, Port Said and Cairo at the angle points, and the river Nile, the kite's string. Just as the boy ties wide strips of paper in some places to the string of the kite and in other places narrow strips of paper, so habitation along the Nile stretches out here and there on either bank of the river, and is extensive, while in other places it is contracted and compact. If the desert parts be excluded, Egypt is one of the most densely populated regions of the world and has some 939 persons to the square mile as compared with Belgium, the most densely populated country of Europe, with 589 persons in pre-war days to the square mile.

In this kite-shaped piece of territory in Northern Africa a stretch of a thousand miles in length and some 200 miles at its base, live 12,500,000 people of whom between ten and a half and eleven millions are native Egyptians. Though very considerable



Sketch map of Egypt.

progress has been made in this quarter of the world during the last fifty years, yet the country still awaits much greater development and the trade possibilities offering for a keen business man are wide and fascinating. Trade openings are perhaps more potential than actual, as the question of trade expansion is largely in many lines a matter of educating the population. Consider, for instance, that there are at a moderate estimate, 4,000,000 families in Egypt who live in mud huts where such a thing as a glass window is unknown. Educate the Egyptian peasant, the fellaheen, to a fancy for windows, reckon four panes of glass to each of them, and there is a considerable profit awaiting those who supply the 16,000,000 panes of glass. Or again take boots; create the fashion for wearing them among the great mass of the bare-footed, and a fortune is to be made. Egypt, in fact, is full of such potentialities for the exporter with imagination and practical ability.

The fact, however, that Egypt is essentially an agricultural country creates for it a large volume of foreign trade. Requirements in respect to fuel and manufactures are almost entirely provided for by imports, and even livestock and some foodstuffs are imported in considerable quantity.

In exchange, the produce which is exported consists mainly of cotton and cotton seed, together with eggs, onions, sugar, hides and skins, cigarettes and a small proportion of other products.

Not only has Egypt need of imports, goods which Canada is supplying in other export markets,—for example: flour, lumber, newsprint, wrapping paper, boots and shoes, tea, tinned foods, cheese, cured fish, pumping machinery, agricultural machinery, hardware, manufactured iron and steel products, automobiles, and cotton and woollen piece goods,—but Egypt has money to pay for these imports, owing to the flourishing financial condition of the country. Moreover, though much has been written about the unscrupulousness of the Levantine trader, who plays such an important part in the foreign trade of Egypt, yet even among this group dishonesty and malpractices in the conduct of business negotiations are not by any means always considered the best policy. What is more, there are several very reliable English, Italian and Greek firms among the foreign nationalities of Egypt, whose equity in business cannot be called in question, and who would only be too glad to carry on trade with Canada.

Granted then that there is an export field in Egypt, limited though it may be at present from the Canadian perspective, granted the potentiality of the market and granted the wealth of the country and the safe channels through which trade can be carried on, it would seem expedient for Canadian manufacturers to interest themselves in this part of the Mediterranean trade, to avail themselves of present day opportunities, of which other industrial countries are not neglectful, and in so doing to add to the sum total of Canada's export trade, which after all is synonymous to us with national achievement, stability and progressive development.

The writer just used the word "Mediterranean," and this he did advisedly. Egypt is only one of the markets of this region which can take Canadian products. The others, as Greece, Italy, Spain and Northern Africa also command our attention. But just as in the weaving of the textile there must be the shuttle to carry backwards and forwards the necessary yarn, so in the working up of the Canadian export fabric there must also be the ships plying back and forth, which may quite properly be termed the export shuttle of our Canadian foreign trade. The writer wishes again in this report to lay emphasis on the absolute necessity of regular Canadian steamship communications direct between Canada and the Mediterranean, if our export trade in this quarter is to be permanently successful. Naturally Egypt, eventually at least, will have a call upon such a line.

FOREIGN TRADE OF EGYPT

Egypt's total trade has risen in value from £E. 59,000,000 in 1913 to £E. 123,298,033 in 1919, whereas her favourable trade balance of £E. 3,796,870 in 1913 was increased to

£E. 28,478,604 in 1919. From this latter view-point Egyptian trade returns for the year 1919 were the most satisfactory on record, due principally to the unrestricted selling price of raw cotton, this item alone constituting 86 per cent of the total value of exports, or some £E. 65,441,901 out of a total value of exports of £E. 75,888,321. The preceding year, however, tells another story. With cotton prices regulated by the Egyptian Government throughout 1918 and with the prices of most imported commodities soaring in that year, Egypt's trade balance was against her to the extent of £E. 5,785,286, her total trade for that year being £E. 96,525,326, of which imports equalled £E. 51,155,306, and exports only £E. 45,370,020. Egypt, however, despite the showing of the year 1918, can generally count on a favourable trade balance, as the following statistics for Egyptian trade since 1911 will show:—

	Imports £E.	Exports £E.	Trade Balance £E.		Imports £E.	Exports £E.	Trade Balance £E.
1911.. . . .	27,227,000	28,599,000	1,372,000	1916.. . . .	31,136,000	37,461,000	6,325,000
1912.. . . .	25,908,000	34,574,000	8,666,000	1917.. . . .	33,175,000	41,060,000	7,885,000
1913.. . . .	27,865,000	31,662,000	3,797,000	1918.. . . .	51,155,000	45,370,000	5,785,000
1914.. . . .	21,725,000	24,092,000	2,367,000	1919.. . . .	47,409,000	75,888,000	28,479,000
1915.. . . .	19,329,000	27,047,000	7,718,000	1920*.. . . .	58,303,000	67,398,000	9,095,000

* Seven months.

With the exception of the year 1910 and during the period of the 1902-1907 boom, when capital flowed into the country, the trade balance since 1884 has remained steadily in favour of Egypt till 1918. But the deficit of this year, in view of the preceding favourable trade balances and the unprecedented rise in the trade balance of 1919, is not disquieting. Moreover, the amount of this visible favourable trade balance, which was placed to the credit of the country, is considerably increased when there is taken into consideration the fact that there was also a hidden favourable balance constituted by the large sums expended on account of the British Forces in Egypt during the war years, and which was placed at the disposal of the Egyptian banks in London.

TREND OF PRESENT TRADE

An examination of the trade statistics of Egypt, however, for the first three months of 1920, and a comparison of these figures with those for the first seven months of this year, show that a favourable trade balance of some £E. 30,000,000 at the end of March has dwindled off to a favourable trade balance of only some £E. 9,000,000 at the end of July. This rapid decrease is accounted for principally by less raw cotton shipments (as raw cotton exports naturally decrease after March) and augmented imports. Imports, for example, which in the single month of March, 1920, totalled £E. 7,727,000, reached £E. 10,532,000 in the month of July of this year; and whereas they stood at £E. 20,545,000 for the first three months of this year, they had reached £E. 58,303,000 for the first seven months, or £E. 11,000,000 more than for the whole year 1919. Cotton shipments, however, which begin to assume an importance during the month of October and continue important until the end of the year, will in all probability arrest this decline in the favourable trade balance. This favourable trade balance at the end of the first seven months of 1919 was £E. 3,600,000, and yet the year closed with a favourable trade balance of some £E. 28,000,000. It is to be noted, however, that cotton in 1920 will not fetch the handsome prices of last year, and that Egypt's exports for October, November and December therefore will not be as high in value as in 1919. What is more, imports are £E. 35,000,000 higher for the seven-months period of this year (1920) than for the corresponding period of last year.

TEMPORARY SLUMP

In fact, so heavy have been recent importations that when the writer was in Egypt during June and July the docks and the bonded warehouses at Alexandria were completely filled up and the Customs were at a loss to know where to place the cargo

as it came in. This glut of the market was to some extent caused through late delivery, but chiefly by speculative overbuying on the part of importers, who found that the local market could not absorb all the goods arriving and arrived in Egypt. Moreover, owing to the unsettled conditions in Palestine and Syria, the merchandise destined for re-exporting to these countries had also to remain in the warehouses of Alexandria. The result has been, therefore, that some merchants were refusing to take up covering documents, and that the quays and magazines were overcrowded with goods conservatively estimated, the writer was told, at some two to three million £E. It is natural, therefore, to expect that import figures will show a falling off to some appreciable extent during at least the months of August, September and October, although the writer was informed that no continued slump was anticipated, and that any temporary lull in imports would be very likely succeeded by normal buying during the fall and winter months. Moreover, with a stable government established in Palestine, re-exports there will no doubt relieve to some extent the congestion of the Egyptian market.

PRESENT GERMAN TRADE WITH EGYPT

One other feature of recent trade returns is significant of the present trend of trade, viz., the reappearance of Germany and Austria on the market. The value of imports from Germany for the seven-months period of 1920 was £E. 433,463, and from Austria £E. 141,362, the chief items in this ex-enemy trade being beer, china, glass-ware, caustic soda and cutlery. Germany and Austria are also buying considerably from Egypt and during the January-July period of 1920 purchased respectively some £E. 764,500 and £E. 198,107 worth of Egyptian products, consisting mostly of raw cotton. As regards these German and Austrian exports to Egypt, it may be pointed out that during the past seven months of this year Germany and Austria shipped to Egypt goods valued at about one-quarter of these countries' total exports to Egypt during the entire year 1913, and about one-fifteenth of Egypt's total purchases from Great Britain in that same year. This gain is very appreciable and indicates that competition from these ex-enemy sources will probably be as severe at no far distant date as it was in pre-war days.

EFFECT OF INCREASED PRICES ON IMPORTS

As the trade statistics relating to the total value of Egyptian trade for the years 1919 and 1913 are examined, one must keep in mind that, phenomenal as the expansion appears, yet this big increase is accounted for in a large measure by the rising prices of commodities and the higher freight rates, which naturally resulted in higher import values, and not in general to actual increases in the quantity of goods either imported or exported. For example, the imports of salted and preserved fish fell off from 3,915 tons in 1913 to 1,218 tons in 1919, although the value of these imports rose from £E. 114,915 to £E. 155,133; the imports of boots and shoes fell off from 792,006 pairs in 1913, valued at £E. 179,362, to 385,960 pairs, valued at £E. 285,630; the imports of dried fruit decreased from 14,991 tons to 11,260 tons, but values rose from £E. 218,040 to £E. 482,854; the imports of petroleum decreased from 133,504 tons, valued at £E. 1,710,897; the imports of writing and printing paper decreased from 6,291 tons to £E. 563,430, in 1913, to 122,399 tons, valued at £E. 1,710,897; the imports of writing and printing paper decreased from 6,291 tons to 3,331 tons, though the values rose from £E. 110,964 to £E. 231,746; the imports of timber for construction purposes slackened off from 653,733 cu. metres, valued at £E. 1,357,986, to 52,770 cu. metres, valued at £E. 490,921; coal from 1,721,415 tons, valued at £E. 2,011,527, to 565,520 tons, valued at £E. 3,000,973; cotton piece goods decreased from 19,997 tons to 12,878 tons, although values rose from £E. 2,531,054 to £E. 5,339,192; woollen fabrics decreased from 1,870,559 tons to 984,615 tons, but values increased from £E. 372,917 to £E. 792,248; and iron and steel goods increased in value from £E. 3,145,379 in 1913 to £E. 3,742,635 in 1919, although the quantity imported fell off by approximately 40,000 tons.

The inference to be drawn therefore is that though the value of imports have risen phenomenally there has been no corresponding increase in the quantity of goods imported in a great many of Egypt's principal requirements, and that in many lines, e.g., lumber and iron and steel products, there is a general shortage of stocks in the Egyptian market. Hence the greater opportunity for Canadian trade.

COUNTRIES OF ORIGIN FOR EGYPTIAN IMPORTS

The question now naturally comes to the fore, what are Egypt's principal imports and exports, and from where are they obtained and to where are they sent? First, as to the countries whence Egyptian imports emanate, it will be noticed by an examination of Egyptian trade statistics that in the year 1913, Great Britain, France, Turkey, Austria, Germany, Italy, British India, Belgium, and Roumania, in the order named, were the principal sources of Egyptian supplies. Contrasted with these countries for 1919 are Great Britain, United States, Italy, France, British India, Greece, Australia, New Zealand, Japan, China and Chile, in the order named. The following import figures are illustrative:—

Imports	Per- centage	1913 £E.	Imports	1919 £E.	Per- centage
From all countries	—	26,782,809	From all countries	47,409,717	—
Great Britain	31.5	8,486,104	Great Britain	21,840,957	45.9
France	9.3	2,512,769	United States	2,889,749	5.9
Turkey	8.6	2,311,523	Italy	2,498,314	5.1
Austria-Hungary	7.1	1,931,134	France	2,390,464	4.9
Germany	5.9	1,608,278	British India	2,348,624	4.9
Italy	5.2	1,465,150	Greece	1,893,105	3.8
British India	4.8	1,334,108	Australasia	1,848,623	3.8
Belgium	4.1	1,177,516	Japan	1,729,164	3.5
Roumania	3.7	1,091,050	China	1,317,270	2.7
			Chile	1,098,055	2.1

A glance at the foregoing table will show that Great Britain in 1913 had the largest share of Egypt's import trade and that she has not only maintained this lead but has considerably increased her percentage of exports to this country. If to the percentage of 31.5 in 1913 there is added 7.4 per cent, representing Egypt's imports from other parts of the British Empire, in the same year it will be evident that the Empire accounted for about 39 per cent of Egypt's total 1913 import requirements. Over against this 39 per cent for the year 1913 may be placed approximately 58 per cent for the year 1919, as the percentage 45.9, representing Great Britain's share in Egypt's import trade for 1919, must be added to 12 per cent, which represents the proportion of total imports arriving in Egypt from other Empire sources. This percentage of increase therefore—from 39 per cent in 1913 to 58 per cent, or a net gain of 19 per cent—is indeed an excellent showing for British trade and augurs well for the future, though later trade statistics will show whether this predominance can be maintained.

The United States has also considerably improved her position latterly in Egyptian import trade. Over against 1.9 per cent in 1913, the United States supplied 5.9 per cent of Egyptian imports in 1919. Japan's trade, on the other hand, although supplying 5 per cent of Egyptian imports in 1913 as compared with $\frac{1}{2}$ per cent in 1919, has lost ground, and the percentage of Egyptian imports from Japan fell off to 3.5 per cent in 1919. France's share of the import trade has also registered an appreciable decline from 9.3 per cent in 1913 to 4.9 per cent in 1919. Italy's trade has been maintained and percentages for the years 1913 and 1919 show no appreciable fluctuation. The trade of Austria, Germany, Belgium, Roumania and Turkey, naturally lost their percentage hold on the market, and new factors have appeared—namely Greece, China and Chile—in the 1919 trade returns. The trend of trade for the first seven months of 1920, however, still show further changes and indicates that Germany, Austria, Czecho-Slovakia and Belgium are each again obtaining a foothold in the market, while imports from the United States have increased four times in value, and from Japan, twice in value.

RECENT EGYPTIAN IMPORT TRADE

The figures of Egyptian import trade from some of the principal countries concerned for the seven-months period of 1919 and 1920, are added hereto for purposes of comparison:—

	Jan.-July 1920 £E.	Jan.-July 1919 £E.		Jan.-July 1920 £E.	Jan.-July 1919 £E.
Great Britain	20,087,884	9,988,459	Greece	1,278,808	1,123,957
Australasia	3,618,163	1,385,436	Italy	3,537,852	882,536
Austria	141,362	70	Japan	1,603,232	853,056
Belgium	794,920	866	Switzerland	819,656	137,657
Czecho-Slovakia	105,857	—	United States	4,828,563	1,514,456
France	2,721,765	1,214,814			
Germany	123,497	8,690	Total imports	53,303,252	23,104,633

CANADA'S SHARE IN EGYPT'S IMPORT TRADE

Canada exported to Egypt goods valued at £E. 10,018 in 1913, £E. 145,723 in 1916, and £E. 33,520 in 1919. The gain therefore over the period has been about 300 per cent in value, although our exports to Egypt have decreased in value in a very marked degree since 1916.

IMPORTS ACCORDING TO CATEGORIES

The table subjoined illustrates the principal Egyptian imports classified according to categories, during the years 1913 and 1919 and for the first seven months of 1920.

	1913 £E.	1919 £E.	1920 Jan.-July £E.
Animals and animal food products	1,051,116	1,704,107	1,010,584
Hides and skins and leather goods	385,198	762,178	900,778
Other animal products	70,413	49,155	31,420
Cereals, flour and agricultural products	4,241,378	2,262,992	8,937,878
Colonial produce and groceries	1,066,023	1,811,512	3,025,978
Spirits, beverages and oils	1,411,462	4,261,329	3,600,617
Paper and printed matter	437,333	1,270,839	1,174,223
Wood and coal	3,833,799	3,919,594	4,277,900
Stones, earthenware and glassware	582,899	553,178	1,023,655
Dyestuffs, tanstuffs and colours	252,353	691,100	549,797
Chemicals, medicinal products and perfumery	1,342,974	3,345,751	2,837,580
Yarns and textiles	6,968,984	18,845,836	22,014,992
Metals and their manufactures	3,145,379	3,742,635	5,962,475
Miscellaneous	1,987,898	1,128,767	1,064,633
Tobacco and cigarettes	1,082,386	3,070,744	1,890,742
Total	27,865,195	47,409,717	58,303,252

SUMMARY OF IMPORTS ACCORDING TO COUNTRIES

If a detailed analysis is made of the foregoing categories it will be evident (1) that the United Kingdom carries on a very extensive trade with Egypt, her exports consisting principally of cotton piece goods, woollens, coal, rails, bars and angles, iron pipes and tubes, ironmongery, hardware, drawn and rolled copper, agricultural machinery, steam and gas engines, electrical engines, automobiles, tinplate, colours, varnishes, medicinal preparations, earthenware and chinaware, cement, paper, mineral oils, boots and shoes, jams and preserves, cured or preserved fish, cocoa, preserved vegetables, beer, whisky, cordage, and ready-made clothing. In a very large number of these commodities the United Kingdom controlled the trade both in 1913 and in 1919. The other parts of the British Empire also contributed largely to Egypt's import trade. India sent the bulk of the wheat in 1913 and stood second as a supplier of wheat flour in 1919. India's rice exports hold the market, as do also India's shipments of natural indigo. Tea is also imported from this British possession.

Australia and New Zealand largely supplied the Egyptian flour market in 1919, and were the second largest exporters of this commodity to Egypt in 1913. Wheat is also imported therefrom. Equally important are the imports from Australasia of refrigerated meat, which amounted to 11,696 tons in 1919. Jams and preserves were also introduced into Egypt during the war from this quarter.

From the Union of South Africa came coal in 1919, this country displacing the United States as the second source of Egyptian supply.

Canadian exports to Egypt consist principally of wheat flour, whiskey, and photographic films. Iron tubes and pipes and a little agricultural machinery have also been sent forward. The Egyptian trade returns show that during the year 1919 Canada's total export trade to Egypt amounted to £E. 33,520.

(2) Imports into Egypt from Germany before the war were chiefly aniline dyes and synthetic indigo and earthenware, in which Germany stood first in 1913; and iron pipes and tubes, ironmongery, drawn and rolled copper, agricultural machinery, engines and hardware, in which Germany stood second. Varnishes, woollens, medicinal preparations, rails, iron bars, and angles, were also shipped from Germany in smaller quantities.

Austria came first as regards the imports of ready-made clothing, writing, printing and wrapping paper in 1913, and second as regards lumber, earthenware, matches, woollens, and steam engines. Other imports from Austria were boots and shoes, beer, cement, medicinal preparations, colours and hardware.

(3) Another ex-enemy country, viz., Turkey, did considerable business with Egypt in pre-war days, her exports of tobacco being most important. In this trade Turkey led in Egyptian imports, as well as in tanning extracts and common soap. Some lumber and wheat also arrived in Egypt from this source in pre-war days.

(4) The trade which Roumania carried on with Egypt prior to 1914 was quite important, and this country was the largest supplier of both petroleum and timber in 1913. Cargoes of wheat flour also occasionally arrived from Roumania.

(5) Russia's principal exports to Egypt were petroleum, in which product she stood second in 1913, as regards imports, lumber and tobacco.

(6) A wide range of articles was imported from France, and even last year Egypt made considerable purchases in that country. For example, in 1913 France did the leading Egyptian business in silks, electrical engines, hardware, medicinal preparations, perfumery, cocoa and chocolate, and zinc oxide, while her exports of preserved fish, jams and preserves, wrapping papers and engines stood second in Egyptian trade returns. Other articles imported from France included cheese, boots and shoes, preserved vegetables, wines and liquors, writing and wrapping paper, newsprint, earthenware, varnishes, colours, toilet soap, woollens, ready-made underclothing and agricultural machinery.

(7) Italian goods are quite well known in Egypt, and Italy's exports of cotton piece goods ranked after those from Great Britain. In cordage, preserved vegetables, earthenware and wrapping paper, Italian trade was also important, while other exports to Egypt from Italy consisted of cheese, cocoa, olive oil, earthenware, colours, medicinal preparations, matches, silks, ready-made clothing, steam engines and automobiles.

(8) Holland sent to Egypt cheese, cocoa and wrapping paper, while the imports from Switzerland include cheese, cocoa and chocolate, boots and shoes, engines and pumps.

(9) In a number of imported commodities Belgium stood first as a supplier of Egypt in 1913, viz., in cement, chemical manures, iron joists and girders, and iron bars and angles. Other imports from this source consisted of varnishes, rails, ironmongery and earthenware.

(10) From the Far East, Egypt imports tea, silks and tobacco from China, and from Japan, among other articles, tea, writing and printing paper, earthenware, red lead, matches, cotton piece goods and silks.

(11) Norway was the second supplier of Egypt's requirements of writing, wrapping and printing paper in 1913, while Sweden led in the imports of matches in 1913, and in 1919 was the largest contributor of lumber. Paper is also imported from Sweden.

(12) Greece's exports to Egypt consist principally of tobacco, wines and liquors, olive oil and common soap. Portugal was the largest consignor of tinned fish in 1913, while Chilian exports of chemical manures in 1913 ranked first, and in 1919 second.

(13) The progress which the United States trade has made with Egypt is evident in the fact that in 1919 the United States exports to Egypt of petroleum, benzine and motor cars stood first, the exports of coal, lumber and mineral oil, second, while other articles of interest which the United States exported to Egypt include iron pipes and tubes, engines and ironmongery.

CANADIAN OPPORTUNITIES

In view of the foregoing, and from a study of the present requirements of the market, the writer is led to believe that a Canadian export trade can be worked up in Egypt principally in wheat flour, lumber, newsprint, wrapping paper, boots and shoes, tea, tinned foods, cheese and cured fish, and that by means of persistent effort openings can be created for Canadian timber, machinery, agricultural machinery, hardware, manufactured iron and steel goods, automobiles, and with much difficulty, cotton and woollen piece goods.

EGYPTIAN EXPORTS

The table which follows illustrates Egyptian exports for the years 1913 and 1919, and for the first seven months of 1920, according to the official categories of the Egyptian Exports Statistics:—

	1913	1919	1920 (Jan.-July)
	£E.	£E.	£E.
Animals and animal food products	297,670	320,488	301,535
Other animal products	52,551	64,437	31,762
Hides, skins and leather goods	237,122	1,301,859	496,878
Cereals, flour, and agricultural produce	4,297,520	4,832,152	3,306,593
Colonial produce and groceries	112,369	662,399	778,622
Spirits, beverages and oils	50,890	213,665	114,594
Paper and printed matter	27,166	276,135	154,244
Wood and coal	21,448	71,722	26,083
Stones, earthenware and glassware	2,723	20,625	5,985
Dyestuffs, tanstuffs and colours	34,888	90,603	30,017
Chemical and medicinal products and perfumery	128,089	692,157	441,999
Yarns and textiles	25,705,937	66,077,692	60,914,787
Metals and their manufactures	190,745	167,109	127,816
Miscellaneous	107,969	60,202	85,732
Cigarettes	394,978	1,032,076	581,586
Total	31,662,065	75,888,321	67,398,233

RAW COTTON

Egypt's chief exportable product is raw cotton, which accounted for 81 per cent of the total value of exports in 1913, and for 86 per cent during the year 1920. Of the total quantity exported in 1913, valued at £E. 25,705,937, the United Kingdom took a little over 43 per cent, the United States, Germany and France, each about 9 per cent, Russia 8 per cent, and Austria about 6 per cent, while similar consignments were made to Italy, Spain and Belgium. During the year 1919, of the total value of raw cotton exports, viz., £E. 65,441,901, the United Kingdom purchased about 54 per cent, the United States about 25 per cent, France about 8 per cent, Italy 5 per cent, Japan 2½ per cent, Switzerland 2 per cent, with similar shipments to Spain.

OTHER PRINCIPAL EGYPTIAN EXPORTS

Other Egyptian exports of importance in 1919 were the following:—

- (1) Hides and skins and leathers, valued at £E. 1,264,325.
- (2) Rice, valued at £E. 550,590.
- (3) Sesame, valued at £E. 133,958.
- (4) Cotton seed, valued at £E. 3,013,993, of which the exports to the United Kingdom amounted to £E. 3,013,806.
- (5) Onions, valued at £E. 424,634 and consigned principally to the United Kingdom (£E. 336,272), France, Italy and Greece.
- (6) Dates, valued at £E. 74,002.
- (7) Ground nuts, valued at £E. 111,116.
- (8) Refined cane sugar, valued at £E. 654,656, and shipped chiefly to British India (£E. 511,228).
- (9) Henna, valued at £E. 88,198 and exported chiefly to France and to the United Kingdom.
- (10) Gum Arabic, valued at £E. 359,199 and going principally to France, Italy, and the United Kingdom.
- (11) Phosphates valued at £E. 156,750 and destined chiefly for Italy, Japan, and Australasia.
- (12) Cotton piece goods (grey), valued at £E. 128,350 and exported to Greece, Palestine and Levant countries.
- (13) Raw wool, valued at £E. 181,499 and exported to the value of £E. 175,517 to the United Kingdom.
- (14) Raw flax, valued at £E. 60,794, of which £E. 57,436 is credited to the United Kingdom. No flax had been exported previously to 1917, when 245 tons were exported against 454 tons in 1919.
- (15) Cigarettes, valued at £E. 1,032,076 and sent chiefly to the United Kingdom, Holland, France, Palestine, Far Eastern Countries, Sweden, Switzerland, etc. The Egyptian trade returns show that cigarettes valued at £E. 1,752 were exported to Canada from Egypt in 1919.

EXPORTS ACCORDING TO COUNTRIES

Out of £E. 75,888,321, the value of Egypt's total exports for 1919, Great Britain purchased £E. 40,222,821 of Egyptian products, British India £E. 587,015, British Mediterranean Possessions £E. 292,875, Australasia £E. 48,910, other British possessions in the Far East £E. 34,667, South Africa £E. 26,134, and Canada £E. 1,854. Thus the British Empire's share in Egyptian exports totalled £E. 41,214,276, or nearly 55 per cent of the total value of exports.

France took 7.7 per cent of Egyptian exports or goods valued at £E. 5,871,556, Italy 4.6 per cent or goods valued at £E. 3,499,514, Japan 2.4 per cent or goods valued at £E. 1,864,292, Switzerland 2.3 per cent, or goods valued at £E. 1,763,730, and the United States 22 per cent or goods valued at £E. 16,714,079.

EGYPTIAN TARIFF

The object of the Egyptian tariff is to produce revenue and is not of a protective nature as Egypt is not a manufacturing country. It is almost entirely an ad valorem tariff of 8 per cent, the only exceptions being manufactured and unmanufactured tobacco, coal, petroleum, liquid fuel (mazout), firewood, charcoal, cattle, sheep and goats, and alcoholic liquors. The last-named item is tariffed at 10 per cent, while all the other exceptions are taxed 4 per cent except tobacco, on which the tariff is 50 piastres per kilo. for leaf tobacco and 60 piastres per kilo. for finished tobacco.

The value on which the duty on imported goods is leviable is stated to be the value of the goods at the port or place of loading or shipment, together with all expenses of transport and insurance incurred up to the place of disembarkation in Egypt. In the case of many common articles of commerce the values for purposes of assessment of duty are established from time to time by agreement between the Egyptian Customs Administration and the principal merchants engaged in the various trades. In framing these valuation tariffs the prices ruling at the time in respect to the various articles to which they relate are taken as a basis and as the market is liable to fluctuations these tariff values are only fixed for short periods and in no case may they remain in force for more than twelve months.

The export duty is 1 per cent ad valorem on all products of Egypt and the Sudan.

No export duty is charged on foreign goods re-exported and a refund of the difference between the import and export duty is made in the case of merchandise re-exported within six months, provided that it can be identified. Goods in transit are free of duty except coal and liquid fuel on which a duty of 1 per cent is payable.

Bonded warehouses exist at Alexandria, Cairo, Port Said, and Suez.

Geographical Divisions of Egypt

Egypt is a country exceeding in actual extent France and Germany. Its area is some 424,600 square miles, but of this total more than 97 per cent is desert land supporting only a very scanty nomad population. The economically important part of the country, consisting of the valley and delta of the Nile together with the Western oases, covers an area of 12,226 square miles or a territory only a little larger than Belgium. In addition, some 2,850 square miles comprises the surface of the Nile, marshes and lakes, while canals, roads and date plantations cover another 1,900 square miles.

Egypt, therefore, is a small country with well-defined natural boundaries on three sides, namely, the Mediterranean on the north, the Arabian Desert and the Red Sea on the east, and the Libyan Desert on the west. To the south Egypt extends up to a point 25 miles north of Wadi Halfa, or the second cataract of the Nile.

ECONOMIC DIVISIONS

From the earliest times Egypt has been divided into two parts of very unequal size, namely, Lower and Upper Egypt, the boundary between these divisions being now, as in antiquity, a little to the south of Cairo.

DISTINGUISHING GEOGRAPHICAL FEATURES

Two distinguishing geographical features, namely, the Nile and the Desert, give Egypt its general character. Without the river Egypt would be altogether a desert. With the river, the land through which it flows has become differentiated and cultivable. A word about each should be illuminating.

THE RIVER NILE

Entering Egypt proper at the second cataract, near Wadi Halfa, the Nile has rendered fertile a narrow strip of Egyptian territory throughout its valley, and has created the Egyptian Delta. In fact, Egypt is said to be "the gift of the Nile," probably because no other country in the world is so dependent on a river which traverses it as is Egypt.

The river itself, forming a waterway of some 4,000 miles in length, is the longest river in Africa and the second longest in the world. The Nile proper—that is from the outlet at Victoria Nyanza to the sea—is 3,473 miles long. From the confluence of the White and Blue Nile at Khartum it courses through Egypt from south to north for a distance of over 1,500 kilometres (almost 1,000 miles) without receiving a

single tributary on its way. The average width of the river between Wadi Halfa (the second cataract) and Assuan (the first cataract) is 500 metres. From Assuan northwards the river varies from 500 to 900 metres with an average width of something over 700 metres. The river is dotted here and there with small islands and a little to the north of Cairo bifurcates into its two branches, the Rosetta and Damietta.

The annual rise of the river due to the spring rise in the Upper Nile basin of Abyssinia and the Sudan is taken advantage of to fill the canals by which the agricultural lands are irrigated. It is a mistake to think that the Nile actually overflows its banks; the art of the irrigation engineer is directed to confining the river between its banks and guiding its waters over the land by means of canals. The river commences to rise at Cairo in June, reaches its height about the middle of September, and falls to its lowest level in May. The average annual rise at Cairo from the lowest to the highest stage is about 13 feet. The quantity of water passing under the bridges at Cairo ranges from about 25,000,000 tons a day at the lowest stage to about 800,000,000 tons at the height of the flood. The water of the Nile is clear at low stage, but during the flood period it becomes a dark chocolate brown colour owing to the abundance of the fine sediment which it has carried down from the Abyssinian hills. This fine sediment is rich in fertilizing matter and is thus the primary cause of the fertility of Egypt.

Owing to the cataracts navigation between Assuan and Khartum is impossible during low Nile, and from the 1st of March to the 1st of August the upper courses of the Damietta and Rosetta branches are closed to navigation, the water being used for summer irrigating in the Delta. For these reasons the Nile below Khartum is subsidiary as a means of communication to the railways and highroads. Above Khartum the river is the chief trade route.

THE EGYPTIAN DESERTS

With reference now to the other distinguishing geographical feature of Egypt, namely, the Desert, it may be said that the deserts to the west of the Nile Valley consist mostly of flat limestone plateau. Those to the east contain lofty rugged mountain ranges with some peaks rising to over 5,000 feet above the sea. Only a very small proportion of the desert, about one-tenth, is covered by sand; the vastly greater portion is of pure rock. Vegetation in the deserts is mostly confined to the dry valleys, many of which contain a fair abundance of acacia and other trees. The water supplies are very scanty except in specially favoured parts of the desert. They comprise springs, wells, and rock basins, the last-named of course being only found in mountainous regions. In the western deserts the water sources are often many days' journey apart; in the eastern desert, on the other hand, it is seldom necessary to go more than two days' caravan march from well to well.

THE CLIMATE

The climate of Egypt is predominantly dry and warm. The rain-fall is very infrequent throughout the country, and at Alexandria the average is only about eight inches per year, at Cairo about an inch, and in Upper Egypt the fall of rain is still less than at Cairo. The mean temperature in winter at Cairo and the greater part of the Delta is 56 degrees Fahrenheit. In spring the mean is 78 degrees; in summer 83 degrees, rising at times to 115 degrees; and in autumn 66 degrees. Alexandria, whose mean temperature is 59 degrees, is more influenced by the sea, and it is therefore warmer in winter and cooler in summer than at Cairo. Throughout Upper Egypt the mean winter temperature is 66 degrees, and in summer the heat sometimes rises to 122 degrees in the shade.

The fall in temperature during midsummer from the heat at noon to the freshness of the evening after sunset is particularly striking to the sojourner in Egypt. The

writer found that at Cairo, and especially at Alexandria and Port Said, he was more comfortable at night in a tweed suit than in the light clothes worn during the day.

The present population of Egypt is 12,746,765, as compared with 11,287,359 in 1907, with 9,734,405 in 1897, and with 6,831,131, in 1882.

URBAN POPULATION

The present inhabitants live largely on the land, although according to the 1917 census Egypt had the following urban population of over 30,000:—

Cairo.	790,939	Mansura.	49,238
Alexandria.	444,617	Zagazig.	41,741
Port Said (including Ismailia).	91,090	Damamhur.	47,867
Suez.	30,996	Assiut.	51,431
Damietta.	30,984	Fayum.	44,000
Tanta.	74,195	Mimya.	34,945

THE DIVISIONS OF THE POPULATION

Of the total population 10,366,046 are Egyptians, 635,012 Bedouins, 65,162 Nubians, and 221,130 foreigners made up as follows: Turks, 69,725; Greeks, 61,973; Italians, 34,926; British, 20,653; French and Tunisians, 14,591; Austro-Hungarians, 7,704; Russians, 2,410; Germans, 1,847; other Europeans, 2,116; and Persians, 1,385.

This population, for an economic study, however, may best be divided into the following ten elements, (1) the Fellaheen, (2) the Copts, (3) the Bedouins, (4) the Arabian dwellers of the towns, (5) the Berbers, (6) the Sudan negroes, (7) the Turks, (8) the Levantines, (9) the Armenians and Jews, and (10) the Europeans.

THE FELLAHEEN

"Remember," said the late Sultan of Egypt, "we have three great assets, the Nile, the Egyptian sun, and above all the peasants who till our fertile soil. You will not find a race of men more accessible to progress, better tempered or harder working." This statement referred to the Fellaheen. The tiller or peasant, with whom must be included the Coptic peasants of Upper Egypt, is the sinus of the national strength. These are the people who till the soil and make possible Egypt's wealth, which is almost entirely derived from agriculture. The fact that they are agriculturists explains partially their mode of life; the fact that they are Egyptian agriculturists supplements this explanation.

In a climate such as Egypt, houses are not of paramount importance, and it is not difficult therefore to understand why the Egyptians lay so little emphasis on the structure of their dwellings. These consist, for the most part, of four low walls formed of crude bricks and Nile mud, the roof being thatched with durra straw. The interior of the house is poorly furnished and an inspection will show chiefly a few mats, baskets made of matting, a copper kettle, and a few earthenware and wooden dishes. Of course some houses, especially those in Lower and Central Egypt, present many more conveniences, but the point to be kept in mind is that living among the peasants is rather of a primitive type and as such offers at present but few openings for Canadian manufacturers of household furnishings.

The Fellaheen diet also as a general rule does not call for any imported food-stuffs except wheat and flour. The meals are extremely simple and frugal. Bread made of maize or wheat in the Delta, or of sorghum flour in Lower Egypt, broad beans, a sauce of onions and butter or of onions and native vegetable oils, various herbs, the milk of sheep, goats, or buffaloes, summer fruit and green vegetables, constitute the principal food items of the peasant. During the feast of Biram, however, which continues three days, even the poorest generally eat either fish or meat, although these are considered more or less luxuries at other times.

As to the dress of the Fellaheen there is little to say, as there is but scanty apparel worn. In the fields he often works divested of almost everything, while on other occasions his clothes are made up principally of an indigo dyed cotton shirt, a pair of cotton trousers, a woollen cloak, and skull cap. Boots and shoes are seldom used.

The Shekhs, the well-to-do peasants, wear of course better clothing, eat better food, and live more comfortably, and this class has been considerably enlarged of late owing to the very high prices realized for Egyptian cotton though eventually the market afforded by the Fellaheen inhabitants will no doubt be rendered more important with an acquisition of greater purchasing means and with a gradual enlighten-



General view of Cairo.

ment, yet at present the opportunity of selling in large amounts Canadian or foreign products among them must be considered as very limited. Cheap culinary utensils, cheap stoves, wheat or wheat flour, dry fish, and cotton and woollen goods of an inexpensive type, would seem to furnish the more important openings to-day.

GENERAL CHARACTERISTICS OF THE PEOPLE

Enough has been said to indicate in a general way the kind of people who form the bulk of the inhabitants of Egypt. It is very important that some study be made of the inhabitants, and of the customs and manners of these people, as in Egypt the Canadian manufacturer and exporter is dealing with a race quite different from that of most other countries. The Egyptian may be industrious, as is the peasant who works more continually oftentimes than the northern agriculturist. Yet again, the native is often indolent, rarely shows any sign of initiative, and possesses usually that dreamy characteristic peculiar to Orientals, which is so retarding to progress. The Egyptian may be at times sullen and obstinate, cringing and arrogant. He may preserve a dogged silence or weary you with his garrulousness. The uneducated type is generally dirty, while the great mass of the people are poor. First and last the Egyptian is a Mohammedan, although frequently he is lax in his obedience to the Koran. Religion to him, however, often deteriorates into fatalism, and he trusts that Allah will bring his meagre wishes to pass. Though such is the great proportion of the people, yet western civilization is not marking time in Egypt, and the educative and modern influences of the West are gradually showing results in this country.

INFERENCE

It will be evident from the foregoing that the bulk of the Egyptian people are miserably poor, living in mud houses, wearing only the cheapest cotton and woollen clothing, and cooking with the most primitive utensils. There are, on the other hand, not a small number of prosperous native merchants and land proprietors, and a still greater number of persons in relatively comfortable circumstances. It is among this latter class, and also among the European and Levantine population, that the market is important at present from the export viewpoint of Canada. In other words, it is the upper and middle classes who furnish the present-day opportunity for export trade. It should also be borne in mind that the country is mainly agricultural, that a relatively small part of the population lives in towns or cities, and there are very few important manufactures. The requirements of the market therefore are destined to be circumscribed.

AGRICULTURE

Egypt's principal source of economic wealth is agriculture, which occupies at least 75 per cent of the population. The soil, instead of being formed as in most other countries from the disintegration of the local rock surface, is constituted by the alluvium brought down the Nile from the Abyssinian hills. It is dark grey in colour, and varies in consistency between that of clay and sand. The land is remarkably susceptible to cultivation and is extremely fertile, which facts, together with the uniformity of the climate and the regular occurrences of the inundations, are the cause of the very early appearance of civilization in the Nile valley.

Now the proportions of the agricultural industry in Egypt depend not only upon the fertilizing sediment furnished by the Nile, but also upon the measure by which the land beyond the reach of the flood can be rendered productive through irrigation. In fact the whole of the cultivable soil of Egypt is divided into two classes: (1) the fields which retain the moisture sufficiently long after the subsidence of the overflow to allow the maturing of the crop without additional water; and (2) the fields which always require artificial irrigation. The area under the second classification by means of canals, basins, dams, and barrages, has come increasingly under the influence of the flood, with the result that the cultivated or cultivable land in Egypt by this artificial irrigation has become increasingly greater.

It has been estimated that at the time of the French occupation in 1798 some 4,429,400 acres were cultivable, although but 3,520,000 acres were actually exploited. Through the progress which had taken place it was found that in 1906 some 5,750,000 acres were either cultivated or in the process of reclamation, while for the year 1918-19 there were in the whole of Egypt 8,128,132 acres of cultivable land. Actually for want of reclamation there were only, however, some 5,297,701 acres cultivated.

METHOD OF HOLDING AGRICULTURAL LAND

How then is this agricultural land held and how is it divided? The unit of land in Egypt is the feddan, which is equivalent to 1.03 acres, and which throughout this report has been taken as approximately one acre. Out of the total number of proprietors in 1918, namely 1,737,094, some 1,588,606 proprietors, or 91.5 per cent held less than five acres. The proprietors owning more than 50 acres amounted to 12,663, or seven-tenths per cent of the total. The number of acres held by the 91.5 per cent of the proprietors equalled 1,502,613 or 26.4 per cent of the total cultivable area, while seven-tenths per cent of the proprietors owned 2,320,063 acres or 42.3 per cent of the total cultivable area.

It is also interesting to note that the average holding of the 7,843 foreign proprietors amounted to 87.70 acres or the total holdings of foreigners to 687,764 acres. On the other hand the total holdings of the 1,729,251 Egyptian proprietors amounted to 4,801,360 acres or an average of 2.78 acres per native owner.

It is evident from the foregoing that the small holders are greatly in the majority and that less than one-tenth of the native population own any land whatsoever. The nine-tenths class are labourers, the relation between the employers and the employed being for the most part hereditary. Even then though the price of good land during the last few years has risen to as high as £E. 500 to £E. 600 per acre owing principally to the rise in the price of cotton, the bulk of the native population has not thereby benefited, and a relatively small number of proprietors has reaped the monetary and contingent benefits which were derived from the soaring cotton price.

IRRIGATION ESSENTIAL TO AGRICULTURE IN EGYPT

This obligation imposed upon the peasant is in itself indicative of the importance of irrigation in Egyptian agriculture. In fact in no country of the world does irrigation perhaps play so important a part in farming as it does in this country. Now, irrigation in Egypt is of two kinds: perennial, and flood or the basin system.



Canal Mahmoudieh, Alexandria.

The first kind of irrigation, introduced into Egypt about 1820, is possible in Lower Egypt and the Fayum provinces, where there is a network of canals which tap the Nile, and which can be supplied with water throughout the entire year from this river. Altogether there are over 4,000,000 acres under perennial irrigation. The second type of irrigation covers about 1,750,000 acres, and is what is known as the basin method. This is the older form of irrigation in Egypt and its origin goes back into ancient times. Under this latter system the land is divided into basins of from 600 to 50,000 acres by rectangular dykes. The water then enters these basins about the middle of August when the Nile is highest and is begun to be emptied from the 1st of October. Higher land near the banks of the Nile which cannot be reached by the ordinary canals is irrigated through raising the water by means of water lifts worked by hand, or water wheels worked by cattle, or by steam pumps. Both on the larger and smaller estates the landed proprietor and the Fellaheen peasant divide their acreage into small plots by ridges of earth and when necessary introduce the water into the holding from the local canals which serve the particular area.

Forming a vital part of Egypt's irrigation system are the extensive reservoir works which have been already completed. These consist of a dam at Assuan and barrages at Esna, Assiut, and Zifta. The original capacity of the Assuan reservoir was 1,065,000,000 cubic metres. Since its building the level of the dam has been raised 19½ feet and the capacity increased to 2,423,000,000 cubic metres. The barrage at Esna ensures an adequate irrigation to a large area of basin land even in a year when the Nile is low. Without detailing further, it may be said that the agrarian measures of the Egyptian Government are all directed toward the emancipation of farming from its dependence upon the inundations.

MECHANICAL OR OTHER METHODS OF IRRIGATION

Reference has been made in a general way to the means by which irrigation in Egypt is effected. A few additional facts concerning the mechanical or other methods employed will now be of interest. Artificial irrigation in Egypt is carried on either by (1) large water wheels of some 30 feet in diameter, fed with scoops of wood or clay, the whole resembling a dredging machine, and turned by cattle, buffalo, camels, or donkeys; or (2) water lifts, an apparatus somewhat similar to an ordinary wheel, operated by one person and drawing the water in buckets resembling baskets in appearance; or (3) pumps driven by steam, principally when a large supply of water is required, as in the case of the sugar plantations; or (4) a big, light and easily moved wooden wheel which lifts the water by means of numerous fans; or (5) archimedean screws; or (6) water wheels so contrived as to be turned by the weight of the water; or (7) a basket slung on a rope between two labourers.

It may be noted in passing that there are several thousand steam pumps used for irrigation throughout Egypt, and some 100,000 water wheels and water lifts. Indeed one of the most important claims which Egypt has on our manufacturers is upon those Canadian factories which are prepared to cater to the Egyptian trade in pumps and pumping machinery.

FUTURE SCHEMES OF IRRIGATION

At present there are being projected three highly important irrigation, storage, and reclamation schemes in Egypt and the Sudan, with the object of providing an abundant water supply to non-irrigated districts by means of a vast storage dam, and of reclaiming immense areas of what is at present useless land. These projects are three in number, and at pre-war values were estimated to cost £E. 8,000,000. Actual costs of material and labour have appreciably increased since 1913, and it is recognized that the originally contemplated outlay as just outlined will be considerably increased if and when the schemes are perfected. Owing, however, to the very great importance of the present and future supply of raw cotton it is but probable that these plans will be eventually put into execution. It need hardly be said that their materializing will involve the importation of various hydraulic, engineering, electric and pumping apparatus, and Canadian manufacturers should take cognizance not only of the fact that such works are being contemplated but of what development along these lines is actually taking place. The necessary expenditure points to an important market.

AGRICULTURAL SEASONS

There are three agricultural seasons in Egypt: (1) the summer from the 1st of April to the 31st of July, (2), the autumn from the 1st of August to the 30th of November; and (3), the winter from the 1st of November to the 31st of March. Cotton, sugar and rice are the principal summer crops, although the growing of cotton and rice extends throughout the whole of the autumn and even part of the winter. The rice crop, for example, is sown in May, but does not attain maturity until the middle of November, while the cotton plant sown in April is harvested in November

and December. A large quantity of cotton is also produced by a second harvest from the pruned plant in the month of August in the second year of its growth. The autumn season is the shortest, but maize, Indian millet (durra) eaten largely by the poorest fellaheen, and flood rice are harvested. The sesame plant is also cultivated during the August to November period. The winter crops are chiefly wheat, barley, flax, and vegetables.

EGYPTIAN SOIL CAPABLE OF EXHAUSTION

As in Canada where a great deal has been said, though wrongly, of our inexhaustible natural resources, so in Egypt there has been much talk of the fertility of the soil being inexhaustible. Though very frequently so represented, and though the land is extremely fertile and requiring less tilling and ploughing than in most agricultural countries, yet it is not incapable of exhaustion. Many of the Egyptian crops, as elsewhere, must occasionally be followed by a fallow period; others thrive only when a certain rotation is observed: for example, wheat followed by clover or beans; and still other fields require to be artificially manured. As both the crops of the cotton plant and the sugar cane, for illustration, are of an exhausting nature, this land must either be more frequently left fallow or treated with chemical fertilizers. The manure of domestic animals, besides being used as a fuel, is also applied to the land, while a still more abundant source of fertilizer is afforded by the ruins of ancient towns built of unbaked clay. Out of these ruins or mounds of earth is obtained a kind of fertilizer which contains in some instances as much as 12 per cent of saltpetre, soda, ammonia, and other salts.

PRINCIPAL AGRICULTURAL CROPS

Egypt's principal crops are the following: cotton, wheat, maize, sorghum, rice, beans, barley, onions, tomatoes, millet, sugar cane, and berseem. The fruit trees bear considerable quantities of dates, oranges, bananas, figs, grapes, and mulberry leaves.

AREA DEVOTED TO PRINCIPAL CROPS

Official Egyptian Government statistics give the following data with reference to the total area under agricultural production: Figures are given for the years 1913-14 and 1918-19:—

Item	1913-14 acres	1918-19 acres
Cotton.. . . .	1,755,270	1,573,662
Maize.. . . .	1,698,606	13,005
Sorghum.. . . .	242,805	166,984
Rice	35,629	124,739
Wheat.. . . .	1,253,221	1,274,929
Beans.. . . .	428,497	504,912
Barley.. . . .	383,342	343,478
Sugar-cane.. . . .	48,209	57,139
Forage.. . . .	1,528,921	1,764,061
Fruits and vegetables.. . . .	27,985	29,202
Total.. . . .	7,402,485	5,852,111

The statistics for the acreage under maize, sorghum, and rice for the autumn season of the year 1918-19 are incomplete, as the results of these crops were unknown at the publication of the foregoing statistics.

PERCENTAGES OF CROPS TO AREA CULTIVATED

From the foregoing it may be ascertained that the different crops produced in Egypt occupy the following percentages of the total area cultivated for the year 1917-18. Figures for the year 1913-14 are given for purposes of comparison.

Item	1917-18 Per- centage	1913-14 Per- centage	Item	1917-18 Per- centage	1913-14 Per- centage
Cotton..	16.82	23.71	Beans..	6.08	5.79
Maize..	22.32	22.95	Barley..	4.15	5.18
Sorghum..	3.87	3.28	Sugar cane	0.81	0.65
Rice..	4.75	0.48	Forage..	24.98	20.65
Wheat..	15.84	16.93	Fruit and vegetables...	0.38	0.38

EGYPTIAN COTTON

The growing of cotton in Egypt is important both from a national and international viewpoint. Statistics show that in Lower Egypt before the war 45 per cent of the total area of cultivated land was under cotton; in Upper Egypt the proportion was 19 per cent, both of these figures being 6 per cent higher than ten years previous. Not only does Egyptian cotton constitute the great bulk of the country's exports, both as regards quantity and value, but judging by the number of the population engaged in the industry, cotton-growing also occupies first place. More than two-thirds of the people are engaged directly in agriculture and the whole agricultural population is more or less dependent on cotton. What is more, a very large proportion of the non-agricultural population is connected in some way with the cotton crops, as for example at Alexandria, where very many are interested in its ginning, baling, marketing and exporting. Owing therefore to its national importance, nearly every social, economic and agricultural problem and policy of the country finds its origin or *raison d'être* in this commodity. Cotton dominates Egypt's irrigation, fiscal and banking policy, pays for Egyptian imports, and is the main source of Egypt's national wealth.

Then, from the international viewpoint, Egyptian cotton occupies a unique position. Egypt is third among the cotton producing countries, and its production per acre is higher than in almost any other country of the world. Moreover, owing to the peculiar quality of the crop, there is a very important world market for this exportable commodity of Egypt, whose soil, climate and irrigation system are apparently so ideal for the production of a superior kind of cotton.

QUALITY OF EGYPTIAN COTTON

What then is this quality, and what briefly is the history of cotton growing in Egypt? When during the cotton famine in Lancashire, occasioned by the United States Civil War, cotton textile manufacturers first began to use Egyptian cotton, it was found that the fineness and strength of the long staple variety gave to Egyptian cotton a quality which made it equally as good for many purposes as the only other class of staple cotton then known, viz. that from the Sea Islands, and on account of its strength, it was even considered superior for some uses. In fact, some of the Egyptian cotton, and especially the Sakel variety, is recognized to be equal to all but the very best of Florida's and Georgia's, the second of the Sea Islands grades.

That the markets of the world will require large quantities of the finest long staple cotton can hardly be doubted, especially in consideration of the uses to which such cotton is put. In the lace curtain trade, in the manufacture of the finest cotton sewing thread, in the production of mercerized cotton, aeroplane cloth, and the fabric for motor tires, the best long staple is required, and Egyptian cotton has met an increasingly large demand among such manufacturers, with the increase in the

supplies available. In fact the best varieties of Egyptian cotton can never be replaced by ordinary American, and when the American product is cheap, it is the good varieties of Egypt that are best adapted to withstand United States competition and to fetch higher prices.

The special market for Egyptian cotton therefore is the result of its peculiar qualities of length, fineness, and strength, and the many special uses for which these qualities make it fitted. As the world demand for cotton possessing these qualities is very large, and as Egyptian supplies in this regard are more important than United States, owing to the larger production, it is not surprising that Egyptian cotton is quoted at a premium over American. Before 1914, the premium had fallen as low as 20 per cent. It remained comparatively low during the first two years of the war, but in April, 1917, it again rose to 110 per cent, as against the previous high record of 102 per cent in April, 1910. This premium, however, had fallen very substantially to 37 per cent before the Government control of the crop began in August, 1918. On the removal of the control last year in July the premium again rose, until in May, 1920, it touched the unheard of figure of 219 per cent.

DEVELOPMENT IN COTTON GROWING

One development has taken place during the last years which may be said to counteract in a large measure the disadvantages caused to Egyptian cotton-growing during the same period. This has been the gradual supplanting of old and what are now inferior varieties of cotton by a new type called "Sakellarides," which is proving itself to be a very fine staple cotton, yielding heavily, and very suitable to the climate and soil of the Delta, as well as many parts of Upper Egypt. Sakel has in fact practically replaced the Afifi, which a few years ago had almost a complete monopoly of the Delta crop, while Ashmuni in Upper Egypt is likewise losing its pre-eminence there. Sakel represents about 92 per cent of the total area in Lower Egypt, and about 72 per cent of the crop of the whole country. The result therefore has been the yield of more good Egyptian cotton, though the supply on the whole has fallen off.

IMPROVEMENTS REQUIRED

But the leeway of the war must be entirely made up, and if Egypt is to assume the importance as a cotton-growing country which nature seems to have marked out for her, the drainage and reclamation schemes of the Delta must be carried out, the pink bollworm pest successfully combated and the cotton area extended by making operative the irrigation schemes now on the tapis. Research work is also most important, and it would seem essential that the Egyptian authorities should energetically undertake, by means of scientific investigations, not only to maintain the fine quality of Egyptian cotton, but what is more, to make improvements on the already good varieties existing.

Enough has been written to show that there are immense possibilities ahead for Egyptian cotton. The new irrigation schemes when effected, and which are already begun, are likely to add over one million acres to the present cotton area. The draining of other areas in the lake district of Lower Egypt is also probable within the next few years, which it is estimated will give a total of 3,033,000 acres annually capable of producing cotton.

STATISTICS OF ACREAGE AND PRODUCTION

The table which follows will show the cotton acreage for the most important years in the history of the Egyptian industry, together with the yield per feddan (1 feddan equals approximately 1 acre, and 1 cantar equals approximately 100 pounds):—

Season	Area Feddans. (acres)	Crop Cantars (100 lb.)	Average yield Cantar per feddan
1886-1887	865,000	2,996,000	3.45
1897-1898	1,128,000	6,544,000	5.80
1902-1903	1,276,000	5,839,000	4.58
1912-1913	1,722,000	7,533,000	4.37
1914-1915	1,755,000	6,490,000	3.69
1918-1919	1,568,000	4,826,000	3.08
1919-1920 (estimated)	1,827,000	7,500,000	4.10

These years are noted for the following events: 1886-87, the completion of the Delta barrage; 1897-98, the year of the highest yield per feddan; 1902-03, the completion of the Assuan dam; 1912-13, the raising of the Assuan dam; 1914-15, the first war year; 1918-19, the year of restricted acreage; and 1919-20, the current year.

RISE IN COTTON PRICES

There took place during 1919 a phenomenal rise in the price of Egyptian cotton on the Alexandria Bourse, once the Government restrictions on prices were removed in the midsummer of that year. During a wave of speculation, futures in sakelarides rose from \$57.50 and all but reached \$200 per cantar, as against about \$20, which was considered a fair price for the same type in 1913. Spot prices naturally rose in sympathy, but following a crisis on the cotton bourse quotations became much easier, and the year closed with sakel quoted at \$100 per cantar. When the writer was in Egypt during July of this year prices were still nervous, and were ranging from \$82 to \$90 per cantar. The high prices realized last October and November naturally gave a great impetus to the cotton growing for the year 1919-20 and explains the greater acreage under cotton for the current year. Though it cannot be denied that speculation in futures is largely responsible for the soaring prices of last autumn, yet the demand existing for raw cotton such as Egypt supplies, especially in Great Britain and the United States, warranted undoubtedly a considerable increase in prewar quotations.

GOVERNMENT TAX ON COTTON

As has been pointed out, these rising prices for cotton naturally tempted land owners and cotton growers to sow in cotton that part of the land which otherwise would have been devoted to cereal growing. In some cases it is reported even the winter cereal crops of last year, though already sown, were ploughed up to make room for cotton seed in the spring. It was accordingly considered better policy by the Egyptian Government to allow unrestricted cotton-growing this year, and to make up the shortage of the local cereal production by the importation of the necessary grain products. In order, however, to defray a part of the expenses connected with these purchases of wheat or other grain abroad, the Government decided to levy a tax of 35 piastres, (\$1.75) per cantar on ginned cotton, the tax to come into force as a temporary measure in October, 1920. This tax is calculated to yield roughly about £E. 2,000,000, and will be used to make good the loss incurred by selling imported flour at cost price.

CEREALS IN EGYPT

The phrase "a one-crop country" has occasionally been applied to Egypt, but the inference in this statement is incorrect. Cotton, as has been pointed out, is the premier Egyptian crop, due to its export value; but the cereal crops which the country

produces occupy a relatively more important place in respect to the actual area utilized. Statistics previously given illustrate this point clearly and indicate that Egypt is not a mono-cultural country. As Egypt is densely populated, and as the area under cultivation is subordinated to cotton growing, the cereals yielded are generally consumed at home, and hence not so much is known abroad of their economic importance. Moreover, owing to the remunerative value of the cotton crop in normal times, the Egyptians prefer to import whatever flour or grain is required to supplement home production and to devote their efforts to the growing of cotton. Evidence of this is patent in the fact that the pre-war imports of Egypt included some 160,000 to 200,000 tons of flour, 35,000 tons of wheat and maize, 29,000 tons of barley, and some 31,000 tons of rice. When during the war the cotton area was restricted and more cereals were cultivated, Egypt's imports of these food products sagged off to much smaller quantities. For example, only 53,000 tons of flour were imported during 1915 and 1916, and not only was there no local shortage, but there were actually exported during those two years some 260,000 tons of cereal products. The significance of the Egyptian's attitude toward cotton and grain growing, lies in the fact that Canadian producers of grain and exporters of flour are offered a very appreciable market in Egypt for their products. As has already been pointed out in the *Weekly Bulletin*, during this coming season Egypt must buy about 200,000 tons of wheat or flour equivalent, and herein is an excellent opportunity for Canadian export trade, which opening may also be considered as permanent provided steps are taken to enter the market on a large scale. It is not that Canadian flour is not known in Egypt, but it is not known to the extent that it should be.

WHEAT

The following statistics relative to the wheat production and consumption in Egypt are illuminative for the years 1913-14 and 1918-19:—

	1913-14 Tons		1913-14 Tons
Production..	785,059	Exported..	3,667
Importation..	243,243		
		Total consumption..	1,024,635
Total..	1,028,302		
Consumption per inhabitant, 83.1 kilogrammes.			
	1918-19 Tons		1918-19 Tons
Production	772,166	Exported..	6,595
Importation..	27,957		
		Total consumption..	793,528
Total..	800,123		
Consumption per inhabitant, 61.5 kilogrammes.			

MAIZE AND MILLET

Maize is a most important crop in Egypt, and practically the whole of the area under winter crops is followed by maize and millet, which thus allows approximately 2,000,000 acres to be so cultivated. The yield averages for maize about 38.5 bushels per acre, and for millet approximately 44 bushels per acre. In addition to maize and millet being used for human food, the leaves of the plants provide green fodder for the cattle.

BARLEY

The barley in Egypt is almost entirely used for fodder purposes, although a small part of the local production is consumed by the inhabitants of Upper Egypt. The figures of barley production for the year 1913-14 are 212,214 tons and for 1918-19, 192,654 tons.

BEANS AND LENTILS

Both the horse and broad beans are cultivated in Egypt and constitute not only a human food, but are also an important ration for milking animals and animals doing hard work. The average yield is approximately 26 bushels per acre. The quantities of beans produced in Egypt were 309,680 tons in 1918-19.

An important item of diet among the Fellaheen is lentils. These were sown over an area of 35,426 acres in 1913-14 and over an area of 68,398 acres in 1917-18. The average yield is some 22 bushels per acre, or for the year 1917-18 approximately 1,500,000 bushels were grown.

RICE

Egypt produces normally about 100,000 tons of rice, which is mainly grown in the northern part of the Delta, both as a food crop and for the purpose of washing lands. Japanese, Italian and native varieties all flourish. Though there is a considerable home production, and though the local demand for rice is important yet it is found that the excellent quality of Egyptian rice commands a better market in nearby Levant countries than it does in Egypt, which prefers a cheaper and inferior variety such as Rangoon rice. Thus it comes about that Egypt is both an importer and exporter of this product.

SUGAR

Sugar-cane growing was first introduced into Egypt in the fifties of the last century when experiments were made with the red sugar-cane from Jamaica. At present it is grown in many parts of middle and upper Egypt. Other varieties such as Java, Borneo and Maurice have been brought in and have been found to give very satisfactory results. The development of this agricultural industry was severely hampered before the war, not only by the native predilection for cotton cultivation, but especially by the competition of the Austrian beet sugar which, sold under a system of bounties, could largely displace in Egypt and Near Eastern countries any native competition. The coming of the war, however, fostered sugar growing in Egypt by eliminating Austrian competition, and the crop rose from about 60,000 tons per annum to 101,678 tons in 1916-17. Consequently during the war Egypt met her own requirements in sugar, and not only so, but exported some 50,000 tons besides supplying the needs of the British forces in Egypt, Palestine and Malta. There is a tendency, however, among land owners to abandon the cultivation of sugar in favour of other crops, especially cotton, and in this connection the following figures showing the quantities of raw sugar produced by the one important sugar company of Egypt from Egyptian cane, during the past three years are significant.

Year.	Tons	Year.	Tons
1916-17..	101,678	1918-19..	75,954
1917-18..	79,448	1919-20 (estimated)	65,000

It seems probable that the cultivation of sugar will eventually be confined to land on which cotton cannot be grown, and that Egypt and the Sudan will become more and more dependent on foreign sugar.

BERSEEM

The clover crop of Egypt in the absence of grass is important for forage purposes. It is grown during the winter period in the basin lands of Upper Egypt and either affords one or two cuttings, after which it is ploughed under for fertilizing purposes or else provides three or four cuttings, the last of which is sometimes pressed into dry Berseem hay.

VEGETABLES

Vegetables grow readily in Egypt and their cultivation constitutes a no minor part of the work of the Fellaheen. The onion is grown along the Nile bank of Upper

Egypt in large quantities, and is chiefly exported. In prewar years some 100,000 tons were sent abroad. Other vegetables commonly raised throughout the country are tomatoes, the bulk of which are exported; a poor quality potato, leeks, marrows, cucumbers, cauliflowers, lettuce, spinach, and asparagus. In fact, market gardening has taken on very large proportions, and Egypt may be said to be self-supporting in vegetables.

FRUIT GROWING

The more common fruits met with in Egypt are the date, citron, melon, fig, grape, apricot, peach, banana, pomegranate, orange, and mandarin. Olives, mangoes, and strawberries are also grown, but in small quantities. The date is a valuable economic asset, the country possessing seven million date palms, four million of which are in Upper Egypt. The fruit is one of the chief foods of the Fellaheen. The value of the crop is estimated at about £E.1,500,000 per year, and this value could be considerably increased if greater attention were given to the cultivation, drying, and preserving of the dates for export.

ROSES, DYES, AND SPICES

Rosd water is furnished in Egypt by the fields of roses found in the Fayum province. Of plants used for dyeing, the principal are: saffron, madder, woad, and the indigo plant. Spices such as cayenne pepper, aniseed, coriander, caraway, dill, and mustard are also grown.

NEW AGRICULTURAL DEVELOPMENTS

Experiments are now being conducted to foster the growing for commercial purposes of flax, sisal, tobacco, the castor oil plant, and jute, and to adapt the papyrus plant and rice straw to paper making.

CATTLE AND DOMESTIC ANIMALS

Despite the fact that the Bedouins of the Arabian desert owe their wealth to their camels, horses, sheep, and goats, Egypt cannot be classified on the whole as a pastoral country. Moreover, cattle breeding has not until recently been conducted on scientific lines, and has been carried on mostly for agricultural purposes. Cattle for meat was imported from Serbia, Syria, Cyprus, and the Sudan, but with the cutting off of supplies from these first-named countries during the war, a serious decrease has taken place in the cattle existing throughout the country. It is estimated that the number of cattle and buffaloes in the country has been reduced from 1,250,000 in 1904 to 1,087,866 in 1918.

With the exception of buffaloes and sheep, there has been a very material falling off in the existing livestock of the country. This decrease in Egypt's livestock has also had a disquieting effect in that it has reduced the production of farm manure, causing many cultivators to resort to nitrate of soda or sulphate of ammonia whenever it has been possible to procure these fertilizers. The shortage of fuel of all kinds has also had a most unfortunate effect, as most of the manure which under ordinary circumstances would have been put on the land has been used as fuel, with the loss of the nitrogen, the constituent which in Egypt is the most valuable.

In the Nile valley the chief domestic animals are the camel, donkey, mule, ox, buffalo, sheep, and goat. Horses are very seldom seen, except in the large towns, the camel and donkey being the principal beasts of burden. Sheep and goats are abundant, and mutton is one of the principal butcher's meats. Pigs are very rarely kept, and pork is seldom eaten except by the European inhabitants.

FISHERIES

Egypt's chief fishing ground is lake Menzala, in Lower Egypt, where about 4,000 persons are engaged in the industry. Fish abound also in the Nile, and are caught in large quantities along the shores of the Delta. Much of the fish consumed is salted and cured, and this industry is conducted at Damietta and at Mataria on lake Menzala. There always exists a ready market for dried and salted fish eggs. The average annual value of the fisheries amounts to about £E. 200,000.

FORESTS

There is a great scarcity of lumber-producing trees in Egypt, its only timber resources being the scanty trees which grow along the cliffs bordering the Nile, and this want was especially felt during the war when timber imports reached a vanishing point and coal was so extremely difficult to obtain. Such wood as sant and lebbek are found, which is suitable for furniture making, but even the supply of these trees is greatly limited.

MANUFACTURING INDUSTRIES

Egypt, though essentially an agricultural country, possesses a few manufacturing industries, and a determined effort is being put forth by the Government to foster new industrial undertakings and to strengthen those already existing. As a first step in this direction there has recently been organized a special Government Bureau of Commerce and Industry which will devote itself to the promotion of native industries.

Large exhibition rooms are being operated in connection with this bureau where samples of Egyptian manufactured products are on display for the instruction of the public and intending purchasers. The writer visited these sample rooms with the head of the Bureau and was surprised at the creditable showing Egypt is making along industrial lines. The war record of Egyptian industries is also worthy of comment, and the Local Resources Board was able to provide on a limited scale many articles for the Forces, which hitherto were never produced in Egypt, for example, pickles, jams, biscuits, tinned fowls in calves' foot jelly, palm branch crates for packing onions, etc., and sugar straw for fodder.

A good deal has also been done by the Department of Technical Industry and Commercial Education to prepare the way for industrial development. There are seventeen trade schools scattered throughout the country, which are turning out skilled manual workers and doing much to improve such local industries as weaving, leather work, and furniture making. Two of the schools specialize in carpet making.

SUGAR REFINING

Among the industries of Egypt sugar refining takes first place. This industry is the monopoly of one company, La Société Générale des Sucreries et de la Raffinerie d'Egypt, which has a capital of 114,000,000 francs and a refinery capable of producing 100,000 tons of sugar per year, and which works five sugar crushing factories. The company employs from 17,000 to 20,000 men, varying with the time of year, and pays about £E.400,000 annually in wages. The following table illustrates the quantity of cane crushed and the sugar and molasses produced during the years 1913 and 1913:—

Year	Sugar Cane Used Tons	Production of Sugar Tons	Production of Molasses Tons
1913-1914..	718,055	69,368	36,908
1917-1918	814,843	79,488	37,330

INDUSTRIES SUBSIDIARY TO SUGAR REFINING

A natural subsidiary of the sugar industry is the production of alcohol out of the molasses extracted in the refining of the sugar cane. The capacity of the one important distillery is about 100,000 hectolitres annually, and this establishment has been working of late to nine-tenths of its full output. Not only have home requirements been largely supplied, but an export trade built up which in 1916, the year before an embargo was placed on its exportation, amounted to about 50,000 hectolitres.

Various by-products are there turned out in relatively small quantities, for example, carbonate, chloride, and sulphate of potash and carbonic acid. For this latter product a special plant has been constructed. Another interesting development dependent upon the sugar industry is the manufacture of sugar straw for fodder purposes. It was found necessary during the war to find some fodder substitute for the horses and mules of the British Expeditionary Forces which would supplement the supplies of barley and beans available. After experimentation fodder was produced from mixing straw and molasses in certain proportions, and this live stock fodder came to be in great demand for the horses. Its manufacture will probably continue.

CIGARETTES

Cigarette making, in which the tobacco used is wholly imported, is carried on in several large finely equipped factories at Cairo, Alexandria, Tanta and Assiut. About 8,000 tons of leaf tobacco are imported annually from Turkey and Greece and blended into cigarettes, of which about 500 tons were exported, the remainder being consumed at home. There are some 15,000 workmen in the principal factories alone. The largest firm employs regularly about 3,000 hands and pays over £E.100,000 a year in wages.

THE WEAVING INDUSTRIES

Among the older and purely native industries that of the textiles—spinning, weaving and dyeing—is the largest. Of the 380,000 persons occupied in the country's industrial output some 84,000 are employed as spinners and weavers. Altogether there are imported into Egypt annually some 4,750,000 kilos of yarn, which is almost entirely made up into woven goods. The five most important centres of this industry are Damietta, which sends out annually £E. 58,000 worth of silk material; Elmahalla, famous chiefly for its silk stuffs; Akhmin, at one time the Manchester of Egypt, a large but decreasing centre for the making of cotton goods; Cairo, chiefly for silk weaving; and Qalyub, which produces very large quantities of the commoner cotton cloths worn by the fellaheen and poorer classes. In all these towns there are workshops containing as many as 100 looms, which almost without exception are either hand or foot worked. The industry is also a family one and house methods of weaving are still more primitive. Modern power-driven machinery is unknown except in the Filature Nationale of Alexandria, which is the most outstanding spinning and weaving establishment in Egypt. Here modern methods of manufacture are employed and the designs and patterns are much less conservative. The Filature Nationale produces about 3,500,000 pounds of thread from Egyptian cotton annually, and between 8,000,000 and 9,000,000 yards of cotton piece goods. Egypt normally exports a part of her textile products, especially to Turkey, while silk tissues are exported to Massawa. It may be said, however, that the cotton goods turned out are of a very inferior quality and are used for the making of the cheapest garments.

COTTON SEED INDUSTRY

The only crushing industry of commercial importance in Egypt is that devoted to cotton seed, which has been established solely for the purpose of supplying the

local demand for cotton seed oil. The existing mills are for the most part equipped with modern machinery, and the quality of oil produced is considered good. In 1913 some 11,150 tons of oil were produced and 63,000 tons of cake. Only a small proportion of the oil is exported normally, while the bulk of the cotton seed cake is sent abroad, principally to England. The oil is used at home as vegetable oil, both for table purposes and for the manufacture of a low grade soap.

OTHER INDUSTRIES

General furniture and wood work ranks next to textiles in its wide distribution and the numbers employed. The census of 1907 recorded 50,000 workers under this heading. Building industries form another large group, though the most skilled work in stone, brick, and plaster is still in the hands of foreigners. Engineering and metal-working industries are regularly increasing owing to the growing use of machinery.

Tanning and leather-working are widely spread, the largest and most modern tanneries being at Mex, Old Cairo, and Mansûra.

Pottery, which ranks for age with weaving, is still a flourishing industry and, except for a few large European-directed potteries, has its chief centres in Upper Egypt, where gullas and zirs are made in large numbers. At Qena there are 200 workshops turning out 60,000 pots a day. Jewellery is another old and widely spread industry. Nearly every village of importance has its worker in silver and gold. The Cairo bazaars, which are the chief centre, contain some 500 small workshops. Other native industries are: basket-making (chiefly in the districts of Assuan and Isna); mat-making from reeds, in Sharqiya and Minufiya, Kafr el Hosr being the chief centre; carpet-making, which has existed for generations in parts of Assuan and Assiut Mudirias and is now being improved and developed at Beni Suef and Assiut; inlay and ivory work, a Cairo and Upper Egypt industry; embroidery, best known in the Assiut shawls and in the skull-caps of Minufiya; and the making of cords and ropes, which industry is found scattered throughout the Delta.

The establishment of a large modern tarbush factory at Qaha is wholly due to Egyptian enterprise and capital. This factory has had an output of 300,000 tarbushes a year since 1914.

Brewing with malt and hops imported from England, and the making of brandy and rum, are also carried on.

Single factories for the manufacture of paper, rubber, bedsteads, and clothing have also been started in recent years.

THE MINING INDUSTRIES

The following metals, minerals, and precious stones are mined in Egypt:—

Phosphates, petroleum, gold, manganese and iron ores, peridots and nickel ore, limestone, basalt, sandstone and quartzite, sandstone and grit, granite, marble, imperial porphyry, granites, and other ornamental stones.

The manufacture of cement is increasing in importance and a considerable business is done in the collection of gypsum and the manufacture of plaster near Cairo and Ismailia.

Bricks and tiles are made at El Widi, south of Helwan, and an impure fireclay is worked at Assuan.

The quarrying industry is practically confined to local enterprise, while the capital and organization of the mining industry is mostly foreign.

STATISTICS OF THE EGYPTIAN MINING INDUSTRIES

The following table shows the production of the Egyptian mines for the years 1913, 1915, and 1918:—

Products	1913	1915	1918
Gold.. . . . .Kilo.	143	221	89
£.E.	19,152	29,491	11,810
Lead.. . . . .Tons	3,995	1,872	—
Zinc.."	3,160	1,116	—
Peridots.. . . . .Kilo.	50	.....	—
Nitrate of soda.. . . . .Tons	4,740	4,271	4,520
Phosphate.."	104,450	82,998	31,147
Petroleum.."	12,786	30,054	281,885
Carbonate of soda.. . . . ."	.....	.....	3,486

PETROLEUM

From the foregoing table it is evident that the most important item under the mining industry is the production of petroleum, and it is also evident that this industry is undergoing very encouraging growth. Pioneer work was carried on during the twenty-five years preceding 1911, but it was not until that year that development began to take place on a large scale. It was in that year that the Anglo-Egyptian oil fields acquired the petroliferous area about 150 miles south of Suez on the western shores of the Suez Gulf. The most important oil-producing centre in Egypt to-day is at Hurghada, and a busy port has actually sprung up there in a district which was formerly a barren coast. Steamers drawing thirty feet of water convey the crude oil from Hurghada to the company's refinery at Suez, where a plant of 1,200 tons a day capacity has been put down and where motor spirit, illuminating oil, fuel lubricating oils and all the various grades are produced.

The oil from the Hurghada area is of a heavy nature and produces a large percentage of liquid fuel which proved extremely valuable to Egypt during the war when it was so difficult to procure the necessary coal supplies. Further prospecting and exploring work is now to be carried on and the possible importance of this branch of the mining industry to the country's permanent fuel supplies cannot be overestimated.

Communications

The chief means of internal communication in Lower Egypt are the railways, and in Middle and Upper Egypt, the railway and the Nile. The railways are of two kinds:

- (1) Those owned and operated by the State.
- (2) Those controlled by private enterprise.

Of these, the first are the most important and embrace 3,251 kilometres of permanent way. The privately operated lines extend 1,161 kilometres, thus giving Egypt altogether 4,412 kilometres of railways.

STATE RAILWAY SYSTEM

The Egyptian State Railway System is extremely simple. Traffic lines from Alexandria (via Benha, Tanta and Damanhur), and from Port Said (via Benha, Zagazig and Ismailia), traverse the Delta and join at Cairo. From Cairo the railway continues up the valley of the Nile, close to the river. It follows at first the west bank, crossing the river 354 miles from Cairo by an iron bridge 437 yards in length. From here it runs along the east bank to Luxor, and continues to Shellal, three miles north of Assuan, and 685 miles south of Alexandria. From Assuan there is maintained a steamer service to Wadi Halfa, on the northern frontier of the Sudan. At Wadi Halfa there is again direct railway communication with Khartum, a distance of 375 miles, over a 3-foot 6-inch gauge. All the main lines of the Egyptian State railways

are 4-foot 8½-inch gauge, except the line from Luxor to Assuan, where the African standard gauge of 3 feet 6 inches is adopted. The subsidiary of the State railways in the western oases runs on a 2-foot 5½-inch gauge.

There are branch lines of the Egyptian State railways operating mainly in the Delta, and the Western Oases, the total length of the system amounting to some 678 kilometres.

THE PRIVATELY-OWNED RAILWAYS

In the Delta light railways supplement the ordinary lines and connect the agricultural villages with the towns and seaports. These railways are:

(1) The Egyptian Delta Light Railways, controlled by the company of the same name, with a system of 901 kilometres, and running on a .75-metre gauge;

(2) The Fayum Light Railways, operating 102 kilometres of track on a .75-metre gauge, and touching the most important villages of the Fayum Province;

(3) The railways of Lower Egypt, operated by La Société Anonyme des Chemins de Fer de la Basse Egypte, and including 158 kilometres of single line over a one-metre gauge.

PALESTINE-EGYPTIAN RAILWAY COMMUNICATIONS

The most interesting feature of recent railway development in Egypt is the establishment of direct rail communication between Palestine and Egypt. This was undertaken in response to recent military requirements, and the project was consummated in May, 1918, when Cairo was connected with the Palestine system of railways by the erection of a swing bridge over the Suez Canal, at Kantara. This line is destined to have a considerable influence on the trade of both Egypt and Palestine.

STATISTICS ABOUT THE RAILWAYS

In 1918-19 the Egyptian State Railways owned 709 locomotives, 1,485 passenger carriages, and 15,626 freight cars. The total receipts derived from the railways amounted to £E. 7,446,000 against an expenditure of £E. 3,928,000, netting a profit of £E. 3,518,000. The amount of goods carried totalled some 5,496,000 tons, and the number of passengers carried, 35,692,000.

The privately-owned railways in 1918-19 had 115 locomotives, 368 passenger coaches, and 1,940 freight cars. The receipts derived from their operation amounted to £E. 456,000, and the expenses connected with their running to £E. 245,000. Some 7,892,000 passengers were carried in 1918-19, and 835,000 tons of merchandise freighted.

OPPORTUNITY FOR CANADIAN MANUFACTURERS.

The railroad system of Egypt has by no means reached its final development, and both the State and privately-owned railways contemplate much expansion during the next few years. Rolling stock and permanent way will therefore be required, and what is more, much of the present rail material is more or less dilapidated, and the leeway of the war in this respect will have to be made up. The writer, in interviews with the General Manager of the State Railways, and with engineers of the light railways, was glad to learn that Canadian tenders would be welcomed when the railways were in the purchasing market. Before, however, any successful business can be done with the State lines, it is essential for Canadian firms to be registered at the office of the Egyptian State Railways in London, as manufacturers of whatever railroad material the company produces. Canadian firms, therefore, interested in developing their export of railway supplies or rolling stock should at once communicate with the office of Sir Arthur Webb, Inspecting Engineer, Egyptian Government, Queen Anne's Chambers, Broadway, Westminster, London.

On the registered list of firms who are anxious to do business with Egypt in railway material, the writer saw the name of only one Canadian company. More

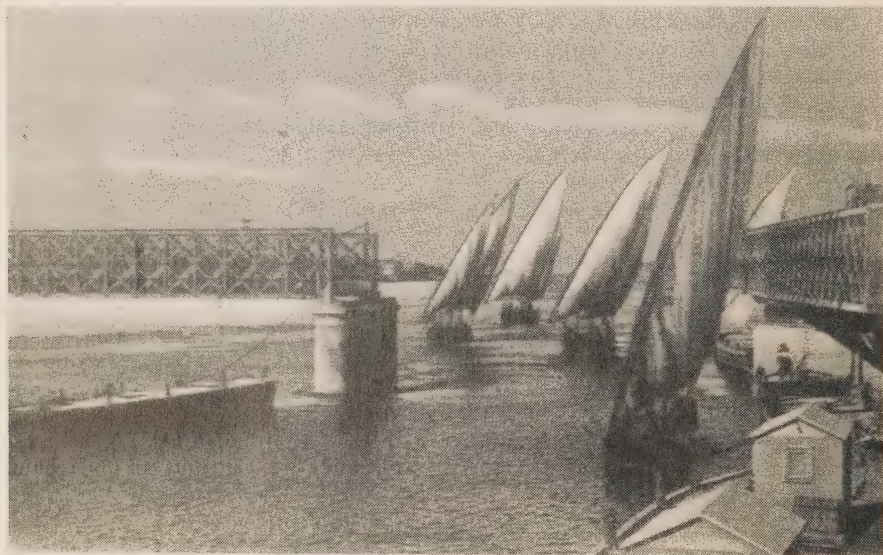
undoubtedly should be there, and in view of the contemplated expenditure to be made on the Egyptian State Railways, Canadian firms should immediately get in touch with the previously-mentioned office.

TRAMWAYS

Besides the tramways of Cairo (64,630 metres), of Alexandria (34,657 metres), and Port Said (12,615 metres), there are local electric tramways between Cairo and Heliopolis (26,287 metres) and between Alexandria and Ramleh (13,559 metres). Altogether there are some 151,748 metres of tramways in Egypt. These lines in 1918 had 461 cars with motors, 432 trailers, and employed 21,720 K.W. of energy.

THE NILE AS A MEANS OF INTERNATIONAL COMMUNICATION

The Nile, as has been previously indicated, is navigable throughout Egypt, and is generally used as a means of transit for heavy goods cargo. Between Assuan and the Sudan frontier, where no railway exists, it is the only means of communication.



Type of Sailing Vessels on the Nile at Cairo

There are no lock and bridge tolls on the river, these having been abolished in 1899 and 1901 respectively. Among the craft using the river, the native sailing vessel, a picture of which is shown above, is typical.

THE NILE AS A MEANS OF INTERNAL COMMUNICATION

Caravan routes are also followed in Egypt for the conveyance of goods. From the Nile they lead off eastward to the Red Sea, the shortest and most used of these eastern routes being the one from Kena to Kosseir, a distance of 120 miles. Caravan routes also go westward to the oases. Roads suitable for wheeled vehicles between the upper towns have been built throughout Lower Egypt, to the extent of 3,810 kilometres and in Upper Egypt to the extent of 1,424 kilometres. There are also a large number of bridle paths, over which goods are conveyed on the backs of donkeys or camels.

TRADE ROUTES AND SHIPPING

Egypt has always commanded, by reason of its geographical position, one of the most important trade routes in the world, constituting as it does a gateway between the West and the East, and forming as it were a bridgehead between Europe and Africa and Africa and Asia. Its importance was proven before the discovery of the Cape passage to India. With the opening of the Suez canal, the menace of this other passage was wiped out, and Egypt, with its ports of Alexandria, and Port Said, stands to-day as the portal to Eastern trade and the most important point of contact between Europe and the African Continent. Now that German East Africa is in British hands, the completion of the Cape-to-Cairo railway will in all probability be realized, and Egypt will therefore, in the future, more than in the past, be the focus of international trade lines.

Next in importance to Egypt's natural geographical position, is the Suez canal in the making of Egypt the great trade arch between the Mediterranean and Indian oceans. The work connected with its construction does not concern us in this report, but it may be noted in passing that Great Britain looked upon the project at first as an impossible engineering feat, and as an impracticable commercial undertaking. It was the French, and not the English, who were responsible for its inception, although later on, both British engineers and Lord Beaconsfield saw the advantages to be gained by such a canal, and it was the latter, who, as is well known, purchased from the Khedive 176,602 shares at a cost of some four million sterling when the venture was fairly assured; hence the large financial interests England now has in its operation. A council of thirty-two members which to-day manages the affairs of the canal, has ten British representatives.

THE TRAFFIC THROUGH THE CANAL

During the first complete year of working, viz. 1870, some 486 vessels passed through the canal. In 1891 the number reached 4,207. The heaviest traffic so far recorded was in 1912, when 5,373 vessels, with a gross tonnage of 28,000,000, used the passage; whereas, again in 1870, the mean net tonnage per vessel was 898 tons; in 1915 this mean had reached a maximum of 4,117 tons.

COMMERCIAL TRAFFIC, 1913-19

The following table shows the total number and tonnage of commercial vessels transitting the Suez canal for the years 1913 and 1919:—

Year	No.	Net Tonnage		No.	Net Tonnage
1919..	3,048	12,567,041	1913..	4,979	19,758,040

PORTS OF EGYPT

Egypt has nine ports altogether, although only Alexandria, Port Said, and Suez, have any national or international importance. The writer while in Egypt visited both the harbour of Alexandria and Port Said with the officials in charge of the administration of these ports.

ALEXANDRIA

The harbour of Alexandria is formed by a chain of reefs extending in nearly a straight line for a distance of $4\frac{1}{2}$ miles. There are four channels through these reefs. The harbour proper is sheltered by two converging breakwaters, the Outer and the Quarantine breakwater, with an entrance between them of 437.4 yards. The harbour is divided into two parts, separated by the coal quays and the inner breakwater. That part to the east is termed the Inner Harbour, and that to the west the Outer Harbour. The total area of the water surface of the harbour proper is 1,863 acres. The Inner

Harbour (area 464.5 acres) includes the Arsenal and the Careening Basin, of which the area is 46 acres. It is nearest to the town of Alexandria, and is in direct communication with the interior of the country, by means of the Mahmoudieh canal, navigable to Cairo and beyond. The Outer Harbour area consists of 1,398.5 acres, and includes the coal basin, the petroleum quays, and the slips for smaller craft.



Port of Alexandria.

The docking facilities include a drydock 520 feet long, 64 feet broad, and with 2 feet over the sill; a careening basin and three slips taking craft up to 400 tons.

In connection with the port plant it may be noted that there are three floating sheers, having a respective capacity of 40, 20 and 8 tons.

TOTAL COMMERCIAL TRAFFIC AT ALEXANDRIA BY STEAMER 1913-19

The arrivals and departures of commercial steamers at Alexandria for the years 1913 and 1919 were as follows:—

Arrivals

Year	No. of Steamers	Net Tonnage	Tons Unloaded	Year	No. of Steamers	Net Tonnage	Tons Unloaded
1913.	1,932	3,718,600	2,926,211	1919.	726	1,330,702	833,812

Departures

Year	No. of Steamers	Net Tonnage	Tons Loaded	Year	No. of Steamers	Net Tonnage	Tons Loaded
1913.	1,927	3,698,396	1,180,692	1919.	735	1,362,431	803,701

THE IMPORTANCE OF ALEXANDRIA

Of the total export and import trade of Egypt, 88.84 per cent passed through the port of Alexandria in 1913. Raw cotton is the principal export, and constitutes about 80 per cent of the total. Manufactured cotton goods, woollen textiles, machinery, timber, and coal are the chief imports. Besides being the commercial emporium of Egypt, Alexandria has important industries, especially those devoted to cotton pressing, and cigarette making.

PORT SAID

Port Said, a city of some sixty thousand, sprang up and developed as an important coaling station with the building of the Suez canal. Since the completion of the Cairo-Port Said railway it has also assumed the place of an importing centre into Egypt. The value of Egypt's foreign trade passing through Port Said in 1918 was 23·65 per cent as compared with 8·7 per cent in 1913. Coal is the principal commodity brought into Port Said, and close to two million tons were imported in 1913. The



The Docks at Port Said.

frozen meat and butter from Australia are also discharged here, while it used to be an important distributing centre for Roumanian petroleum. It too, like Alexandria, is a port of transit for goods for other Levant ports.

SUEZ

Suez, a city of about nineteen thousand, at the Red Sea extremity of the canal, forms the third most important Egyptian port. Shipping and oil refining are the chief industries. In 1918, 7·3 per cent of Egypt's foreign trade was credited to this port, compared with 2·4 per cent in 1913. Suez also during the war drew away from Port Said a considerable part of the Sudan export trade in gum, ostrich feathers and other native products. Cereals, vegetables and flour constitute the principal imports; and gum, cane sugar, phosphates, and liquid fuel the principal exports.

OTHER PORTS

Kantara, a city midway on the canal between Suez and Port Said, acquired a considerable importance during the war, as it was the point where the railway crossed the canal to Palestine. It thus became the supply base of Lord Allenby's campaign against the Turks. The port will, however, probably lose the greater part of its war usefulness.

The small ports of Damietta and Rosetta are respectively 34 and 124 miles from Alexandria along the coast. The former of these towns with a population of 34,000 was at one time the third city of Egypt, but gradually lost its importance owing to the development of Alexandria and Port Said and the silting up of the harbour. It exports rice, fish and cotton seed, this trade being carried on mostly with the Levant.



Ismailia on the Suez Canal.

Rosetta, a town of some twenty thousand, has also been overshadowed by Alexandria and has lost its former importance as it used to be a principal centre on the main trade route to India.

SUMMARY OF MERCANTILE SHIPPING

The following tables give a summary of the movement of mercantile vessels and cargo in the principal ports of Egypt for the year 1919:—

Arrivals			
Steamers	No. of vessels	Net tonnage	Tons of cargo unloaded
Alexandria.. { With cargoes..	621	1,156,357	833,812
{ In ballast..	105	175,343	—
Port Said... { Not transitting } with cargoes.. . . .	263	376,159	77,907
{ the Suez Canal } in ballast.. . . .	53	44,806	—
{ Transitting the } with cargoes.. . . .	2,525	8,765,741	512,469
{ Suez Canal } in ballast.. . . .	523	1,468,645	—
Suez { With cargoes..	242	381,435	443,092
{ In ballast..	60	87,802	—
Suez Road*.. { Cargo discharged.. . . . .	....	....	27,004
Other ports.. {	80	87,802	—
Total (1919)	4,507	12,534,974	1,894,284

* The number and tonnage of vessels is omitted since the discharge and shipment of passengers and cargo in Suez Road is effected without entering the port.

Departures

Steamers		No. of vessels	Net registered tonnage	Tons of cargo shipped
Alexandria..	{ With cargoes..	606	1,055,158	803,701
	{ In ballast..	129	307,273	—
	{ Not transitting } with cargoes.. . . .	295	386,061	131,032
Port Said...	{ the Suez Canal } in ballast.. . . .	21	37,905	—
	{ Transitting the } with cargoes.. . . .	2,525	8,765,741	159,538
	{ Suez Canal } in ballast.. . . .	523	1,468,645	—
Suez	{ With cargoes..	201	233,231	135,672
	{ In ballast..	118	238,517	—
Suez Road...	Cargo and passenger shipped by transitting vessels .. . . .	....	.....	19,166
Other ports..	.....	93	74,398	—
Total..	.....	4,511	12,569,929	1,249,109

Sailing Vessels

	No.	Net Ton
Arrivals..	1,395	71,267
Departures..	1,424	70,613

Finances and Banking

Egypt to-day may be considered a wealthy country on the whole, and her prosperity during the war and since the war has netted the country very appreciable financial gains. It is not difficult to understand this condition of Egyptian wealth. From what has been already written it should be clear that Egyptian cotton and Egyptian prosperity are in many respects synonymous terms. Give Egypt cotton crops of low value and there will be years of depression and scarcity. Give Egypt cotton crops of big value and there will be years of prosperity and plenty. Now Egypt during these last years has obtained for its chief product higher prices than ever previously known, and this accession of wealth has meant an increasingly favourable trade balance, augmented foreign investments, less borrowing for financing agriculture, enhanced value of agricultural land, the re-paying of land mortgages, and the growth of bank deposits. The result therefore has been that the country has accumulated money, and that owners of land suitable for growing cotton have realized large or small fortunes depending on the extent of their holdings. Two other reasons have contributed to this flourishing financial condition: (1) the spending of large sums of money in the country by the Expeditionary Forces; and (2) the fortunes made by speculators in uncontrolled commodities required by the Government.

The disturbing feature in the situation, however, is that this resulting prosperity has not been evenly distributed. Although the increased wealth acquired from the agricultural industry has inevitably dispersed itself to some extent over the industrial and mercantile population, and although the disbursements of the British Empire in Egypt have been widely distributed, the population presents extreme contrasts of ease and want. The wealth of the nation belongs not to the many but to the few, who are in this case principally the large and small landowners and the traders of the villages. The mass of the people—that is the poorer classes of the population—have not similarly benefited by the rise in the price of cotton, while high prices have acted with extreme severity upon them. Except in so far as wages have risen in direct proportion to the cost of essential foodstuffs, these classes have suffered and are suffering acutely from a reduction in their standard of living.

Omitting this unfavourable economic feature, however, Egypt otherwise is in a comparatively strong financial position. Its exports for 1919 gave Egypt a favourable trade balance of £E. 28,478,904. Since the balance of Egypt's foreign indebtedness probably does not now exceed £E. 30,000,000, and since the remittances to Egypt for

materials and services on account of the British Army were continuing on a considerable scale when this favourable trade balance of last year was made known, it is evident that the true balance of trade must be still more favourable to Egypt.

The deposits in the two principal banking institutions increased from £E. 6,498,828 from prewar days to £E. 35,479,673 at the beginning of 1920. Total loans on mortgages decreased from £E. 40,328,914 in 1914 to £E. 27,964,196 in January 1920. During the period 1915 to 1919 Egypt's foreign investments increased to £E. 152,000,000. All of these figures go to show that the qualifying adjective "prosperous" may be applied to the country.

In this connection it is of interest to point out Lord Allenby's estimate of the present situation, which was published in his recent report on the Egyptian administration.

"From the Egyptian point of view the position is of course a satisfactory one, though the extent to which the accumulation of funds during the war will ultimately benefit the country will depend on the manner in which it is employed. If it is largely devoted to the hoarding of non-productive gold and expenditure on luxuries, its beneficent power will be so far diminished. If, on the other hand, it is employed in the re-payment of debt and in productive expenditure, the economic well-being of the country will be enhanced; the country will be in a position to withstand the effects on its revenue of a future fall in the price of cotton, and it will be in a fair way of achieving financial independence."

BUDGETARY POSITION

Moreover, the budgetary position is reasonably satisfactory and gives no serious grounds for uneasiness for the year 1920-21. The budget of 1919-20 balanced at £E. 28,850,000 with the help of a draft of £E. 1,500,000 on the Reserve Fund, which, however, was not necessary as the increase of customs duties and the raising of the duty on imported tobacco gave the Egyptian Treasury a surplus of over £E. 3,000,000, which will bring the Reserve Fund to £E. 14,000,000, and which on April 1, 1919, stood at £E. 10,980,000. This surplus is due, however, in a large measure to an unfortunate situation, namely, the material impossibility of carrying out the required amount of railway maintenance and other new works. Considerable purchases of Egyptian Unified and Preference Bonds have recently been made for the account of the Reserve, as it has been considered good policy to maintain a substantial portion of the Reserve in securities which could not be affected at any time by economic crises.

THE BUDGET FOR 1920-21

According to the acting financial adviser of the Egyptian Government, the total anticipated revenue for 1920-21 amounts to £E. 40,271,000, of which £E. 33,701,000 are receipts of a permanent character, while £E. 6,570,000 are extraordinary receipts. This latter category includes £E. 2,777,000 for sales of land, £E. 1,800,000 for cotton control profits, and £E. 2,000,000 for the cotton tax.

The estimated expenditure may be classified as ordinary or recurrent expenditure amounting to £E. 31,594,418, and extraordinary or non-recurring expenditure, £E. 3,022,502 (including £E. 2,000,000 for the purchase of wheat, etc., and £E. 954,502 carried forward from the credit of £E. 1,000,000 opened in the previous budget to cover settlements of claims arising out of the disorders in the spring of 1919); and new works some £E. 5,654,080.

The situation may therefore be set as follows:—

Ordinary receipts.. . . .	£E.	33,701,000
Ordinary expenditure.. . . .	£E.	31,594,418
Surplus.. . . .		
Extraordinary receipts.. . . .	£E.	2,106,582
	£E.	6,570,000
Total.. . . .	£E.	8,676,582
Extraordinary expenditure.. . . .	£E.	8,676,582

Customs, railways, interest on Government funds, the cotton tax, sale of lands and profit on cotton control are all estimated to yield during 1920-21 higher receipts than in the preceding year. As regards customs receipts it may be noted that the duty on imported tobacco was raised in September, 1919, from 30 piastres (\$1.50) to 50 piastres (\$2.50) per kilogramme. The resulting increase of revenue anticipated from this source is £E.1,650,000. The proposed cotton tax represents about 2 per cent of the price of a commodity, which has in itself increased in price about 500 per cent since 1913. The estimated proceeds from the sales of Government land is put at £E. 2,770,000. Owing to the rising prices of land the Government intend selling as rapidly as possible the smaller areas of cultivable land in its possession, and is also carefully considering the advisability of disposing of some portion of its larger domains. Naturally the proceeds from the sale of such national patrimony will be treated as a capital asset to be expended with due regard to its origin, and the whole of the receipt will be more than set off by an expenditure calculated permanently to improve the nation's prosperity either by irrigation or other new works.

From the financial results of the Cotton Control Commission which regulated the purchase and sale of the cotton crop of 1918, it will be possible to anticipate a credit to the Egyptian Government during the next financial year of some £E. 1,800,000. There has been a remission of the taxes on date palms, and of the excise duty on sugar, which together amounted to £E. 543,500. On the other side of the balance sheet ordinary expenditure has risen owing to the increased salaries and wages of Government employees and the higher costs of raw material, while great arrears of expenditure on new works have to be made up. These this next year will absorb some £E. 5,654,080 compared with £E. 3,042,019 in 1919. These credits are to be divided among irrigation, some £E. 1,580,567 in connection with the improvement of the system of canals and drains in the Delta, with a eye to land reclamation; railways some £E. 1,239,000; ports and lights £E. 729,770, mainly for the improvement of the Suez Harbour; and other new buildings some £E. 351,582.

THE FINANCIAL OUTLOOK

In the words of the financial adviser of the Treasury: "Broadly speaking, it may be said that the budgetary position gives, at any rate for the moment, and provided that no further heavy increase of expenditure is called for, no serious ground for uneasiness. The situation will never be altogether free from difficulty so long as the present restrictions on Egypt's fiscal arrangements continue. The impossibility of imposing taxation in proportion to wealth, and equally on local and foreign subjects, tends to render the present system both inelastic and inequitable. Neither the land tax nor the uniform *ad valorem* system of customs dues is a satisfactory form of taxation. The former, which was designed to represent approximately 25 per cent of the rental value of the land, no longer bears a proportion approaching the above figure. The uniformity of the import duty, whether applied to luxuries or to necessities of life, is equally open to objection. The practically complete exemption of foreign subjects and foreign companies from taxation on the wealth which they may derive from this country is a serious blot on the existing system. The limitations on local taxation seriously hamper all municipal development.

"Needless to say that the estimates assume the maintenance of public tranquility an indispensable condition of national prosperity. The impossibility of obtaining at present sufficient supplies of coal, which may react unfavourably on the railway receipts, besides causing grave inconvenience to the public, is perhaps the chief disturbing factor in the immediate outlook. Moreover, any further serious increase in the cost of living, reacting upon the cost of services and materials, before new sources of revenue become available, would create a situation of considerable difficulty.

"But subject to these qualifications, the immediate budgetary position as above set out is reasonably satisfactory. The estimates of revenue are no doubt based upon the continuance of a fairly high range of prices both as regards cotton and

imports, but the figures taken as a basis of the estimates are by no means excessive, and are such as are likely to continue for some time to come. The recurrent expenditure is sufficiently covered by the ordinary revenue, while the extraordinary revenue will probably remain for the next few years at a high figure. It should be borne in mind, moreover, that the Reserve Fund has of late years been swollen by the inability to carry out all the works of which the country has need, and that reasonable drafts upon it would be fully justified."

REVENUE AND EXPENDITURE.

The following table illustrates Egyptian revenue and expenditure for the five year period 1914-19, the last years for which final statistics are available:—

Years	Revenue £E.	Expenditure £E.	Years	Revenue £E.	Expenditure £E.
1914-15. . . .	15,389,124	16,857,783	1917-18. . . .	23,166,074	22,496,948
1915-16. . . .	17,759,418	16,594,666	1918-19. . . .	27,661,289	23,384,326
1916-17. . . .	19,927,274	17,240,606			

EGYPT'S PUBLIC DEBT.

From the most recently published statistics of the Joint International Commission (British, French and Italian) administering Egypt's public debt, it is learned that the public debt of the country on April 1, 1920, amounted to some £E. 93,198,140, made up as follows:—

Guaranteed Loan 3 per cent.	£E. 6,098,400
Privilege Debt 3½ per cent.	31,127,780
Unified Debt 4 per cent.	55,971,960
	<hr/>
	£E. 93,198,140

In 1919-20 the debt was reduced by £E. 190,500 as compared with a reduction of £E. 177,100 in the preceding year, and as compared with the total reduction of £E. 902,900 since 1913. No amortization of the privilege or unified debt has been effected of recent years. In so far, however, as the budget surpluses are accumulated in the Reserve Fund and invested in securities, this process operates as a reduction of the debt charged for the time being.

BANKING IN EGYPT.

The leading bank of Egypt is the National Bank, which was established twenty-two years ago. Not only is it the Government banker, but it also has a monopoly of the note issue. This bank with some twenty-five branches, four of which are in the Sudan, has its head office at Cairo, and is capitalized at £E. 3,000,000, all of which is fully paid, and can call on a reserve of £E. 2,000,000 sterling. Assets and liabilities balanced, at £E. 11,849,000 in 1913, at £E. 15,730,692 in 1915, at £E. 21,626,798 in 1916, at £E. 28,024,958 in 1917, and at £E. 31,401,037 in June, 1920. Deposits have increased from £E. 3,529,000 in 1913, to £E. 18,151,059 on June 30, 1920. The notes issued by the bank in 1913 amounted to £E. 2,700,000 against £E. 48,100,000 at June 30, 1920. In this connection it may be pointed out that the original stipulation of the Government with regard to the note issue was that one-half of the issue should be covered by gold and the other half by securities; but in consequence of the increased demand for currency and the growing difficulty of obtaining gold, during the war the Egyptian Government authorized the bank to substitute British Treasury notes in lieu of gold.

ANGLO-EGYPTIAN BANK.

The Anglo-Egyptian Bank, the oldest bank in Egypt, is a British institution. It was established in 1864, and to-day has a subscribed capital of £1,600,000, paid-up

capital of £600,000, and reserve of £720,000. This bank has several connections throughout the most important centres of the Near East, and maintains an office at London.

This bank carried on the financial transactions connected with the forces in the Mediterranean, and has greatly benefited by the recent prosperity of Egypt. It is in a good position to assist Canadian manufacturers in the development of their trade both in Egypt and Palestine.

OTHER BANKS

Other Banks operating in Egypt are the Credit Lyonnais and the Comptoir National d'Escompte de Paris, a branch of the Credit Foncier Egyptien, the Banca de Roma, the Imperial Ottoman Bank, the Ionian Bank of Greece, the Bank of British West Africa, Limited, Cox's Bank, the Bank of the Orient, the Bank of Athens, and the Banque Belge pour Etranger.

THE LAND BANKS

Distinctly land and agricultural banks are the Agricultural Bank of Egypt and the Land Bank of Egypt. These institutions make advances to the fellaheen on mortgages at a reasonable rate of interest, or on floating charges to cultivators who are landed proprietors, and conduct similar business. The recent prosperity of Egypt has naturally greatly assisted these banks in collecting their outstanding loans and in disposing advantageously of the property which they had acquired. The Mortgage Company of Egypt carries on work of a like nature. As previously pointed out, the loans on mortgages of the four principal mortgage companies have within the last five years decreased from £E. 40,000,000 to £E. 28,000,000.

PROJECTS FOR NATIVE BANK

During the year 1919 a project was mooted of establishing a native bank with Egyptian capital and managed entirely by Egyptians; but though the share capital was put on the market, the organization has not as yet been effected.

Market Reports

During the writer's stay in Egypt he carried on preliminary investigations as to the markets for various kinds of Canadian products in that country. Throughout the preceding chapters of this report suggestions have already been thrown out along what lines Canadian firms prepared to export may best hope to compete in this field of Mediterranean trade, and a detailed analysis of trade statistics has been previously given. In this section of the report the writer wishes to present additional data as to the existing markets and as to the trend of trade during the year 1919 as it differs from that of the last prewar year. Recourse will accordingly be had to further detailed statistics and to notes which the writer made throughout his sojourn in Egypt. An attempt will therefore be made to follow more or less the order of imports as given in the Egyptian trade returns.

FOOD PRODUCTS

Refrigerated Meat.—During the year 1919 the Egyptian cold storage companies made arrangements with the British Government to place Australian meat upon the market and considerable quantities duly arrived. In 1919 for example some 11,696 tons were imported and came entirely from Australia and New Zealand. This was against a total of some 1,121 tons imported in 1913 from the same sources, and against 2,458 tons from these countries for the first seven months of the current year. The largest share of these imports consisted of refrigerated beef and veal, though about one-tenth of the imports are made up of refrigerated mutton and lamb.

This consumption of Australasian meat was ten times greater in 1919 than in 1913. In normal times the Sudan was the country's only principal source of import. Imports have been principally restricted from this quarter by those interested in securing high prices, which action caused an undue strain upon Egypt's stocks of cattle, with a consequent adverse result in the supply of butter and cheese. Reference has been made in a previous part of this report to the depletion in the Egyptian herds and in view of this fact Egypt will continue for some time at least to be a buyer of meat. No Canadian trade of any importance could be worked up unless a regular through steamship connection with proper refrigerating space was established between Canada and Egypt, and then only if the laid down cost was in competition with Sudanese prices which will doubtless continue to be the chief source of supply, and with Australasian prices. The great bulk of the inhabitants of Egypt are not meat eaters to any great extent, and at best this market would seem to be most limited.

Other Preserved Meats.—Some 85 tons of salted or smoked pork, including bacon, were imported in the year 1919, and some 66 tons for the first seven months of 1920. Great Britain supplied the greater part, although the United States, and especially Italy, figure in the imports for the current year. Bacon is only eaten by the European residents and consequently there exists but little demand. Canned and potted meats mostly from Great Britain and Australasia can be purchased in the leading grocery shops, but here again consumption is very limited and the demand therefore meagre. About 78 tons in all were brought in during 1919.

Fish.—The poorer Egyptian eats more fish than meat and in fact at least fish is generally considered a necessary diet during the great feasts of Baram. In addition to the local dried and preserved fish which is consumed, there is imported quite large quantities of foreign varieties, amounting in 1913 to 3,558 tons of all kinds, in 1919 to 1,218 tons, and during the first seven months of 1920 to some 3,504 tons. The principal kinds of fish imported are codfish or other dried fish, salted or smoked herrings and other fish similarly cured, canned salmon, and tinned sardines.

As regards *dried codfish and other dried fish* the United Kingdom is the principal source of supply, followed by France. Some 582 tons in all were imported during the first seven months of 1920, of which 494 tons and 87 tons come from Great Britain and France respectively. During the year 1919 the total imports amounted to 193 tons. In shipping dried fish to the Egyptian market it is to be remembered by the Canadian exporter that not the best but rather an inferior quality is preferred owing to the difference in price. In fact one of the most important fish importing houses in Alexandria told the writer that first-grade Canadian cod was altogether too good for the market. Such dried fish as saithe, ling, and haddock, are for the most part consumed, although cod is also imported. The best selling fish is well-dried, of medium size and white in colour, and arrives in bales of 112 lbs. It was stated that all dried fish should be tied first before baling for shipment and afterwards the bale securely fastened on the outside. These dried fish are not only consumed at the ports and Cairo, but even find their way, especially during the native feasts, to the villages of the interior. Dried fish, owing to the heat and humidity of the climate, goes bad very quickly in Egypt.

Salted or smoked herrings, however, constitute the basis for the largest fish business in Egypt. In 1919 some 511 tons were imported and during the January-July period of 1920 some 1,470 tons. The United Kingdom is the chief exporting country of this product to Egypt and sent some 498 tons and 1,418 tons respectively in the two periods just mentioned; France, and especially Norway, however, figure in these imports.

The writer was informed that the types best suited to the Egyptian trade were the Aberdeen or Yarmouth cured herrings with the roe left in the fish. Herrings should be of a golden reddish colour and are preferably packed in half barrels of 34 kilos convenient for handling, some 200-250 fish to the barrel. The season of greatest importation is during the September-March period. The trade is usually conducted on a 5 per cent commission basis, and as fish in the Egyptian climate are extremely perishable they are generally sent forward on a consignment basis.

Some trade is also done in pickled herring, packed in barrels of 65 kilos.

The market for *tinned fish* is by the nature of the population restricted. Canned sardines occupy first place in these imports and some 251 tons were imported in 1919, and some 870 tons in the first seven months of 1920. Canned salmon stands second, and 71 tons were purchased in 1919 and 157 tons during the first seven months of 1920. Salmon comes principally from the United Kingdom, the United States and Japan, and the greater part of that from the United Kingdom is of Canadian origin. Portugal does far the greater trade in canned sardines, chiefly in oil, but shipments are also received from Norway, France, the United States, Spain and Italy.

Another imported tinned fish is herrings in tomato sauce, but to sell this or any other specially prepared tinned fish from Canada would require low prices, and the work of a very energetic agent.

Condensed Milk.—For the year 1919 Egypt imported 1,305 tons of condensed milk, Australia and New Zealand being the largest individual contributors, followed by Switzerland and the United Kingdom. The United States, however, has got in on this trade and during the first seven months of 1920 supplied 119 tons out of the 362 tons imported. The sweetened milk in the ordinary size tins meets with the greater sale. Before the war in 1913 some 732 tons were imported and at that time Switzerland did over one-half of the trade.

Cheese.—While the British Expeditionary Forces were stationed in Egypt considerable quantities of Canadian cheese were introduced by the Commissariat into Egypt, though arriving via England. This Canadian cheese was also on sale in some of the principal grocery shops after the armistice, and as a result our cheese was made known and liked by the resident buyer in Egypt. Some 2,893 tons of all cheeses were imported into Egypt in 1913, when Turkey alone supplied 1,800 tons. In 1919 some 81 tons were imported, and in the January-July period of 1920 some 256 tons. Latterly supplies have been mostly derived from Holland, but in view of the favourable reception given Canadian cheese by the civilian population, it is thought that our product would meet a ready sale in Egypt.

LEATHER GOODS

Leather.—Reference has been made to the small native tanning industry existing in Egypt. This industry besides using native hides, imported in 1919 some 43 tons and in 1913 some 310 tons of tanned heavy hides, as well as 46 tons of light tanned hides in 1919 and 125 tons in 1913. In addition 2,016 heavy tanned hides themselves and some 151,322 light tanned hides were imported in 1919 as against the numbers 52,045 and 117,649 respectively in 1913. The imports of heavy leather during the first seven months of 1920 amounted to 78 tons and 5,642 skins, and of light leather some 25 tons and 123,687 skins. It is evident therefore that the market for Canadian tanners would be very small. If a desire is had, however, to cater to the leather market in Egypt it is to be remembered (1) that sole leather must be light in weight and quality and in general of a clean and bright colour; (2) that for uppers, white tanned calfskins and sheep and goatskins are most used, and after importation are coloured locally; (3) that the shoe leather which is manufactured in the country is of the chrome variety.

Boots and Shoes.—In 1913 there were imported into Egypt 792,006 pairs of boots and shoes. This trade was then and still is largely provided for by the United Kingdom, which sent forward 336,163 pairs in 1913, 69,144 pairs in 1919 out of a total importation of 294,117 pairs, and 102,782 pairs during the first seven months of 1920 out of 289,151, the total number imported. Morocco in 1913 supplied 191,985 pairs of shoes of a special character which fastened with buckles or clips and can be easily removed, as Mohammedans generally remove their shoes on entering the mosques. In 1919 some 52,161 pairs were derived from Morocco, and during the first seven months of 1920, 50,714 pairs. The Central Empires were also represented in this pre-war trade and some 83,998 pairs were imported from Germany and Austria in 1913. Swiss manufacturers in 1913 supplied 64,692 pairs, French over 29,592 pairs,

and United States manufacturers 18,387 pairs. Over against these figures of import we have 57,522 pairs from Switzerland in 1919, and 59,849 pairs in the January-July period of 1920, 19,460 pairs from France in 1919, and 16,249 pairs in the 1920 period under review, and 31,708 pairs from the United States in 1919, and 29,536 pairs in the seven months of 1920. The striking feature of these trade returns from the Canadian perspective is the increasing hold which the United States is getting on the market.

French and English shapes are the most popular, however, on this market, and the long narrow vamp is not yet a big seller. One well-known French firm of Paris maintains shoe stores in both Alexandria and Cairo, while the large departmental stores carry chiefly English, American, and Swiss shoes.

Another type of boots and shoes which commands a very fair sale in Egypt is classified in the Customs tariffs as "Boots and shoes wholly or mainly made of textile materials with leather soles." In this phrase is described the elastic-side boots and shoes which are so easy to slip on and off on entering the mosques. Some 91,843 pairs of these were purchased in 1919, 59,165 pairs and 23,119 pairs coming respectively from Great Britain and France. Switzerland is also a source of supply, and out of the 86,145 pairs imported during the first seven months of 1920, supplied 25,581 pairs, when France's contribution was 10,253 pairs, and the United Kingdom's share 46,755 pairs.

In view of the fact that the great mass of the people do not as yet wear shoes in Egypt, and that only one out of every thirty-two of the population for example purchased any new boots or shoes over the course of last year, it would seem that the potentiality of this market is considerable. With westernizing influences increasingly asserting themselves, and with the greater per capita wealth of the country, there are tangible possibilities in this field.

Other Leather Manufactures.—Owing to the lack of any number of large industrial enterprises in Egypt very little leather belting is imported, although some £E. 71,698 worth was brought in during 1919. Great Britain's share amounted to £E. 66,428. No figures of quantities are available.

There is also a limited market for harness and upholstering leather. The better grades of harness and saddlery leather are imported principally from the United Kingdom, but the bulk of the trade is supplied by local manufacture. Mules and donkeys, which are the principal beasts of burden and carriers, do not naturally require the harness which horses demand. Such leather as was used in the upholstering trade emanated principally from Germany and Austria, and this demand since the war has been met by imported artificial leather.

The *leather glove trade* of Egypt took 24,011 pairs in 1919, and France supplied about 60 per cent of the requirements. The United Kingdom and Italy stood second and third respectively.

Leather travelling bags and valises were imported in 1919 to the extent of £E. 17,018, of which the United Kingdom supplied £E. 13,912 worth. Fibreboard suitcases sell much more economically and command a readier market.

AGRICULTURAL PRODUCE

Wheat Flour.—The story of Egypt's wheat and flour importation has been largely told in an earlier part of this report. As Egypt is pre-eminently suited for the growing of good cotton, it is but probable that the policy of the Government will be to foster primarily this cotton cultivation, and land which otherwise would be devoted to grain growing will be given over to cotton seed. This, as a matter of fact, is the policy adopted this last year. The wheat production of Egypt latterly has only been about three quarters to the acre, and this poor return is said to arise from (1) the inferior quality of the seed, (2) the serious attacks of rust, (3) the absence of sufficient natural manure, (4) the serious shortage in imported fertilizers, and (5) the heavy

drain on the soil owing to the steady increase of intensive farming. Though further efforts will doubtless be made to make the land sown in wheat and grain more productive yet that does not in itself argue that Egypt can remedy her wheat deficiency or that Egypt will plant more area under wheat. The writer is rather inclined to believe, from interviews he had with various Government officials, that Egypt will continue to depend largely upon imported supplies of wheat and flour, and it is this market which seems to hold out the greatest promise to Canadian exporters.

That the market, moreover, is principally for flour and not for unmilled wheat is evidenced in the fact that in 1913 some 203,500 tons of flour were imported, as compared with 4,586 tons of wheat. During the first seven months of 1920 some 83,000 tons of wheat were imported as against 106,400 tons of wheat flour, and although these latter figures do not bear out the former reasoning so convincingly, yet it was generally stated to the writer that flour, as in 1913, is preferred whenever sufficient quantities are available.

During the coming year it is estimated that, commencing with March, Egypt will require 200,000 tons of wheat, which when converted into flour will be increased by the addition of a percentage of maize flour, and this amount, namely, 200,000 tons of wheat, or its flour equivalent, will be, at least the writer believes, the requirements of not only this year but of the years to come. This business in itself is a big field for Canadian export trade, and our millers should see to it that the opportunity is not lost to them. Competition from Australasia, the United States and India will have to be faced, but the trade seems to warrant a determined Canadian effort.

In an interview which the writer had with Lord Allenby, the question was put: "What is Egypt's most pressing economical problem to-day?" The High Commissioner replied: "To feed ourselves, and to do this we must depend upon countries such as Canada for at least a large part of our wheat and flour requirements." This trade in itself if obtained, even in part, is an additional reason for running direct steamship communications between Canada and the Mediterranean.

Starch.—In 1913 Egypt imported 2,096 tons of starch, and of this quantity 1,086 tons were derived from the United States, 358 tons from Belgium, 341 tons from Holland, and 171 tons from France. During 1919 some 722 tons were imported, and during the first seven months of 1920 some 758 tons. As the United States will continue the chief source of supply, Canadian starch-makers will doubtless draw their own inference.

Malt.—The malt which Egypt used in 1913 came entirely from Austria, some 824 tons being imported. During 1919, 1,042 tons were imported, and in the January-July period of 1920, some 1,163 tons were purchased. The United Kingdom and Czecho-Slovakia are at present the chief countries of origin.

Apples.—Detailed returns for the import of apples into Egypt are not available for 1913. During 1919, however, 1,521 tons of apples and pears were imported, principally the former, and during the first seven months of 1920, some 2,922 tons. Italy is by far the largest supplier, due in a large measure to the excellent communications between the two countries, and exported to Egypt 2,701 tons of the total importation for the seven-month period of 1920. However, last December (1919), the United States sent over during one month some 21 tons of apples, and if the United States can gain an entry into this market, it would only seem reasonable to assume that Canadian apples would also command a ready sale if available. This opinion was moreover expressed by Egyptian importers of fruit and agricultural produce.

Dried Prunes and Apricots.—The only kind of dried fruits Egypt imports which might be obtained to some extent from Canada, are dried prunes and apricots. Figures for 1913 are lacking, but during 1919, 67 tons of prunes and 1,244 tons of

apricots were imported. Greece and France were the principal suppliers of the prunes imported during January to July 1920, when 232 tons were imported, while of the 1,146 tons of dried apricots imported during the same period, Palestine was responsible for 657 tons, Syria for 377 tons, and British India for 105 tons.

COLONIAL PRODUCE AND GENERAL GROCERIES

Sugar.—By an agreement made between the Sugar Company of Egypt—to which reference has previously been made—and the Egyptian Government, the situation as regards supplies for Egypt and the Sudan during the period from November 1, 1919, to January 31, 1921, may be summarized as follows:—

The requirements to be met by the Company in Egypt are estimated at 70,000 tons or 4,667 tons per month, as compared with 4,050 tons per month in 1918-19. The quantity of sugar allotted to the Sudan during the fifteen months is 17,000 tons, or 1,133 tons per month, practically the same as in 1918-19. These requirements will be met (a) by a balance of about 15,000 tons of Egyptian sugar carried forward from the 1918-19 crop; (b) by sugar to be refined from the 1919-20 crop estimated at 62,500 tons; and (c) by 9,500 tons to be refined from foreign sugar which the company undertakes to import. As a result of this agreement the importation of sugar by third parties is prohibited during the period of the arrangement. The point to be kept in mind, however, in this connection, is that the tendency of the landowners is to abandon the cultivation of the sugar cane in favour of other crops, especially cotton, and that a decreasing acreage under sugar will necessarily mean diminishing local supplies and a larger dependency on outside sources. As earlier shown, the quantity of raw sugar produced by the Sugar Company of Egypt has fallen off from 101,678 tons in 1916-17 to approximately 65,000 tons for 1919-20, and information at hand shows very little likelihood of a return to the 1916-17 figures. Egypt will probably continue to consume about 5,000 tons of sugar per month, or 60,000 tons per year, and if for example a pre-war year is taken, as 1913, it will be seen that some 33,000 tons of sugar were imported or more than one-half of the present yearly requirements, Austria alone sending some 32,853 tons. True, considerable progress has since then taken place in the development of the Egyptian sugar industry, but the possibilities of this market for our refineries should not be allowed to slip by unnoticed.

Tea.—In 1913 Egypt imported 965 tons of tea, 241 tons of which came from China, 431 tons from India, 138 tons from British Possessions of the Far East, and 112 tons from the United Kingdom. In 1919 the total imports amounted to 1,003 tons, and India and other Far Eastern British Possessions were in the lead. Tea is the popular hot drink of the English residents of Egypt, but not like coffee in such demand by the natives. In fact the importation of coffee and tea assume the proportion of about seven to one. All the leading grocery shops stock package tea as well as tea in bulk, and some trade, if rightly taken up in this former variety, could possibly be secured for Canadian exporters.

Jams and Preserves.—In 1913 the imports of jams and preserves totalled 2,201 tons, the United Kingdom supplying 1,288 tons, Turkey 403 tons, and France 152 tons. For the year 1919 some 233 tons in all were imported, and during the first seven months of 1920 some 381 tons. At present the United Kingdom is still the largest supplier, although the United States was credited with 68 tons in the 1919-20 period. In 1916 some 10 tons arrived from Canada. Jams, jellies, preserves and marmalades in the ordinary size tins and bottles are to be had at the principal grocery shops of Cairo, Alexandria and Port Said, and owing to the fact that the United States is beginning to compete for this trade, and that Canadian products of this description have been already introduced, it would seem desirable for Canadian exporters to cater a little more effectively to this trade.

The writer used the word "effectively" because an importing house at Alexandria handling these goods told the writer that he had experienced very considerable

dissatisfaction in his correspondence with a certain large Canadian manufacturing concern, who had repeatedly promised to submit samples and to make trial shipments, but which, as he himself said, "had never come across with its promises." Such an attitude on the part of a Canadian firm naturally creates a particular, and what is more, a general antipathy towards trading with us, and it is to be hoped that no firm will undertake any engagement which it is unable to fulfil. The market for this kind of products, if not so large as in some other countries, at least deserves recognition.

Preserved Vegetables.—Such tinned food as canned tomatoes, green beans and peas, etc., are selling in Egypt, though mostly among the foreign residents. For example, in 1913, 1,158 tons were imported, Italy being the chief source of supply with 546 tons, the United Kingdom with 298 tons, and France with 152 tons. During 1919 the sources of origin were the same, although France instead of Great Britain stood second, while on the other hand the imports only amounted to 311 tons. The 1920 seven-months period, however, shows a resumption in this import trade, and 465 tons had been imported to the end of July, Italy still leading with 356 tons. The interesting feature of these last trade returns is seen in the fact that the United States sent forward some 18 tons.

Macaroni.—The Egyptian trade returns show that Egypt imported 10 tons of macaroni in 1919 and 31 tons during the first seven months of 1920. It is interesting to observe in this connection that whereas Italy at one time controlled this trade, her lead has recently been lost to the United States. The fact in itself is significant to Canadian exporters.

Whisky.—Attention has already been called to the fact that Canadian whisky is quite well known in Egypt among those who consume this product. In 1913 Canada exported 100 dozen bottles to Egypt, although in 1912 some 850 dozen bottles were exported. The figures for the 1919 and 1920 period under review were 269 dozen bottles and zero respectively. Of course, the United Kingdom is the principal source of supply, and out of the 57,319 dozen bottles imported in 1919, some 54,088 dozen bottles came from the United Kingdom. The United States has latterly made her appearance in this Egyptian market.

PAPER

Writing and Newsprint.—The Egyptian trade statistics for the year 1913 show that Egypt imported 5,065 tons of newsprint and writing paper. Of this amount Austria supplied 2,324 tons, or 46 per cent. The second largest supplier was Sweden, selling 631 tons, followed by the United Kingdom with 607 tons, Germany with 406 tons, Belgium with 381 tons, Holland with 249 tons, Norway with 224 tons, and Italy with 139 tons. The trade statistics of 1919 reclassify the imports of paper, and it is possible to see just what amounts of newspaper, other printing paper, and writing paper were imported. During the year 1919 some 1,250 tons of newsprint were purchased by Egypt, and of this Norway sent forward 554 tons, Sweden 422 tons, and the United Kingdom 188 tons. Smaller exporters to Egypt were Japan, France, and Italy. The figures for the first seven months of 1920 show that imports are increasing over the supplies obtained last year. During this period Egypt imported 1,648 tons of newsprint, Sweden giving 729 tons, Norway 475 tons, the United Kingdom 131 tons, Italy 110 tons, while in the month of July of this year Switzerland exported to Egypt 10 tons and Austria 9 tons of newsprint.

Of the newspapers published in Egypt some ten are really important and include two dailies in English, three in French, one in Italian, one in Greek, and three in Arabic. These papers are generally of the two-page variety, although one English paper has four pages. However, the market for newsprint is expanding, as the latest trade figures show, and as there is only one very small paper mill in Alexandria, the country may be said to be dependent upon outside sources of supply, and in view of these two facts Egypt should attract Canadian exporters.

The dimensions of the newspaper required are, according to an importer, 57 by 82 cm., 62 by 94 cm., and 63 by 95 cm. The average weight is 45 gr. per square metre. The newsprint is imported in reams of 480-500 sheets, the packages being wrapped in heavier paper.

Printing paper other than newsprint was imported to the extent of 1,293 tons in 1919, the United Kingdom supplying 793 tons, Norway 386 tons, with smaller supplies from Sweden, Italy, Japan, and France. During the first seven months of 1920, 1,654 tons were imported, the United Kingdom sending 682 tons, Norway 362 tons, Sweden 261 tons, while France, Italy, and Holland also shared in the trade.

During the year 1919 Egypt bought 789 tons of *writing paper and envelopes*, the United Kingdom sharing to the extent of 61 per cent. Other countries of origin were France, Japan, Italy, Belgium, and Sweden. These imports of writing paper and envelopes were also increasing this current year and at the end of July stood at 967 tons. Sources of origin are, however, changing, and Italy during the seven-months period exported 45 per cent of the requirements, while the next biggest supplier was the United Kingdom with 23 per cent. Smaller quotas were obtained from Sweden, France, Germany, Holland, Austria, and Belgium.

As regards *cardboard*, in 1913 Egypt imported some 2,689 tons, over one-half of the supplies coming from Austria which exported 52 per cent, or 1,403 tons. The next largest contributor was Germany with 460 tons, followed by Holland with 361 tons, Italy with 143 tons, and Belgium with 109 tons. During the year 1919 some 3,121 tons of cardboard were imported, Holland being the chief source of supply with 792 tons, after which came Sweden with 723 tons, Norway with 606 tons, and the United Kingdom with 368 tons. Finland and Italy also catered to this market. The imports for the first seven months of 1920 were nearly twice as much as in the last prewar year, and amounted to 4,937 tons. Italy was in the lead with 2,831 tons, and was followed as a source of supply by Sweden with 622 tons, Norway with 526 tons, Holland with 502 tons, with smaller quotas from the United Kingdom, Spain, Germany, and the United States. It was stated that the most usual sized cardboard imported measured 50 cm. and 65 cm.

As Egypt is the centre of such an important cigarette manufacture, the imports of *paper for cigarette making* are considerable. These amounted to 669 tons in 1913, 770 tons in 1919, and during the first seven months of 1920 to 532 tons. Austria supplied 458 tons in the prewar year, or 68 per cent, while Italy was the second largest supplier with 139 tons, or 20 per cent, while much smaller quantities were derived from Turkey and France. Italy took Austria's place in 1919 and supplied 63 per cent, or 489 tons, while France stood second with 160 tons. The United Kingdom, Japan, and Spain were also exporters on a small scale. Throughout the January-July period of the present year Italy was still predominating in this import trade, although her exports of cigarette paper amounted to a smaller percentage, viz., 45 per cent, or 240 tons. France came second with 192 tons, and was followed by Spain and the United Kingdom with 49 and 46 tons respectively.

In connection with the cigarette industry it may be pointed out that *glazed paper* for cigarette boxes is also required. Egypt consumed 821 tons of this product in 1919, with Sweden (380 tons) and Japan (266 tons) the principal suppliers, while during the seven-months period of 1920, 130 tons were imported, Sweden leading with 39 tons, and followed by Italy with 34 tons and the United Kingdom with 26 tons.

The imports of *wallpaper* are not large owing to there being no predilection for this kind of mural decoration in the big apartment buildings of the city. Of course the native hut does not present any opening for this product. In 1914 Egypt imported 41 tons of wallpaper, 23 tons of which came from Germany, while Sweden sent forward 6 tons and France and Italy each 4 tons. During 1919 only 11 tons in all were imported, but during the first seven months of 1920 Egypt purchased 29 tons. The United Kingdom is the largest supplier to-day.

The most important paper market in Egypt is that for ordinary *wrapping paper*. In 1913, for example, the total imports of wrapping paper amounted to 12,144 tons. Austria supplied in that year 3,334 tons, Italy 3,152 tons, and France 3,012 tons. Other countries of origin were Holland with 765 tons, Germany with 718 tons, Norway with 584 tons, Belgium with 318 tons, Sweden with 148 tons, and the United Kingdom with 112 tons.

Although the imports for 1919 were about one-half, viz. 6,406 tons, of what they were in 1913, yet the trade is still important. Italy was the leading country of export in 1919 and sent forward 3,565 tons, after which came Holland with 1,096 tons. Sweden stood third with 636 tons, Norway next with 515 tons, and then the United Kingdom with 275 tons. France and Belgium were smaller contributors.

During the 1920 period under review the total imports of wrapping paper amounted to 4,937 tons. Italy was still in the lead with 2,831 tons, followed by Sweden with 622 tons, Norway with 526 tons, Holland with 502 tons, and the United Kingdom with 198 tons. Spain was responsible for 86 tons of wrapping paper, while both the United States and Germany appear in the imports for small consignments.

Wrapping paper is imported in reams of 480 sheets, the usual size being 28 inches by 35 inches, 28 inches by 40 inches, 58 inches by 64 inches, and 60 inches by 85 inches. The last size comes in reams of 400 sheets. The weight of the wrapping paper varies from 30-80 gr. per square metre. The sheets of 28 inches by 40 inches come generally in three weights, viz. 46 gr., 59 gr., and 71 gr., while the sheets of 28 inches by 35 inches have 65 gr. to the square metre.

The foregoing review of the Egyptian paper trade reveals the fact that the Continent is the principal source of Egypt's paper imports. In pre-war days Austria and Germany together with Scandinavia were the chief countries of origin for these imports, while latterly Italy has so increased her former hold on the market that she is now practically the principal supplier, although Norway and Sweden still figure largely in the trade returns. The significant features, however, of this paper trade during the past and current year are: (1) The pre-eminent place occupied by Italy, (2) the reappearance of Germany, and (3) the first arrivals of importance from the United States. It may be safely argued that it is Italy's intimate connection with the Egyptian market by means of her regular steamship communications that has been responsible for the big increase in Italian exports of paper to Egypt. Moreover, with regular steamship sailings from the United States to the Levant it is not difficult to understand the entry of American paper and other products on the Egyptian market. The writer can therefore only point out the inference, which in itself is quite plain, that Canadian paper makers cannot hope to build up a permanent trade in Egypt and outstrip other competitors unless Canada operates a regular steamship service to the Mediterranean. A sporadic trade might be built up through New York or Liverpool, but in the face of such competition as now exists Canadian paper products under such conditions would not likely be any appreciable asset to the Egyptian paper consumer.

LUMBER, COAL AND CEMENT

It may be said that Egypt has practically no timber for building purposes and hence is dependent entirely upon outside countries for its lumber supplies. Cairo and Alexandria, like many other big cities today, are suffering from an acute lack of housing accommodation and rents have consequently risen tremendously. There is therefore an appreciable need for further construction to make up for the leeway caused by the war, and it is very probable that building will recommence before long on a scale much larger than during the last pre-war years. Port enlargements are also being extended, and the railways, too, intend to take on considerable development. Altogether there may be said to be no small market for lumber in Egypt.

In 1913 the total imports into Egypt of lumber for building and construction purposes amounted to 653,733 cubic metres. Of this total Russia supplied 137,975 cubic metres, Roumania 134,223 cubic metres, Turkey 125,602 cubic metres, Sweden

125,169 cubic metres, and Austria 116,882 cubic metres. During the war shipments fell off to practically nothing, but in 1919 cargoes amounting to 52,770 cubic metres of hewn, sawn, or planed timber were imported for the most part from Sweden. These low imports, however, were greatly increased during the first seven months of 1920, when some 335,438 cubic metres were purchased and which for the seven-months period is a little more than half of the normal imports for 1913. Sweden still led in the exports, while Finland, Turkey, Italy, Jugo-Slavia, and the United States are also credited with certain percentages. The corollary to be drawn from the lumber trade statistics of Egypt indicates that Black Sea countries formerly, and Baltic and Scandinavia ports latterly, are largely responsible for the timber requirements of Egypt. Little can be done in this trade without direct steamship connections, and even then proximity of supply, as in the nearby Levant countries, tends to throw transatlantic freights out of competition in a country such as Egypt. However, the United States has taken hold of a neglected field during the war and more recently cargoes of American timber have been arriving in the country. Moreover, in 1916 some 9,644 cubic metres of Canadian timber valued at £E. 78,548 were credited to Canada, and seeing that our lumber was brought across to Egypt in full war time even though it was actually supplying urgent military purposes, an interest should be stimulated in this market among Canadian lumber exporters.

In an interview which the writer had with one of the principal lumber importers in Alexandria he was informed that freight rates, reacting as they do on the ultimate cost, would largely determine where orders were placed by local buyers. The following dimensions and specifications of lumber, obtained in this same interview, for the Egyptian market will doubtless be of interest:—

(1) *Balks.*

66 mm. x 66 mm.	} 4 metres long.
66 " x 33 "	
57 " x 57 "	
57 " x 27 "	
48 " x 48 "	
48 " x 24 "	
97 " x 48 "	
77 " x 37 "	

Whitewood is generally preferred. Orders are given for 500-1,000 Standards at one time.

(2) *Pitch Pine Logs.*

9 inches by 9 inches up to 20 inches by 20 inches (square edged). The lengths run to 49 feet, the longer preferred.

(3) *Sawn Timber.* (Scandinavian Redwood).

(a) 3 inches by 9 inches, 2 inches by 9 inches, 1½ inches by 9 inches, 1 inch by 9 inches, ½ inch by 9 inches, 2½ inches by 7 inches, 2 inches by 6 inches, 2 inches by 4½ inches, 1½ inches by 8 inches, 1 inch by 8 inches. In the usual lengths.

Sawn Timber.—(Austrian whitewood).

(b) 11 mm. thick x 19 or 22, 25, 28, 30, 33 cm. wide.
 17 " " x 19 or 22, 25, 28, 30, 33 " "
 23 " " x 19 or 22, 25, 28, 30, 33 " "
 Also in 4 metres length.

Hardwoods.

1 inch by 6 inches and up to 8, 14, 16, 17 inches; 1½ inches by 6 inches; 2 inches by 6 inches; 2½ inches by 6 inches; 3 inches by 6 inches; in the usual lengths.

(4) The following specification for a thousand piece *board* order is illustrative:

	12 ft 6 in.	15 ft. 9 in.	18 ft. 9 in. length
3 inches by 3 inches.	180 pieces	50 pieces	5 pieces
3 inches by 4 inches.	100 "	70 "	5 "
4 inches by 4 inches.	130 "	125 "	15 "
4 inches by 5 inches.	100 "	160 "	60 "

In any order for boards a small percentage of extra long, e.g., 22 feet or 25 feet, is sometimes stipulated.

It was further stated that it was not necessary that all boards be squared. Although these orders are filled by a fir and whitewood mixed, yet fir is generally preferred.

Railway Sleepers.—The writer took up the possibility of Canada supplying sleepers to the Egyptian State Railways with the general manager of the company. He was informed that in all probability the greater demand would eventually be for steel sleepers, but that Canadian exporters of wood ties should get in touch with the office of the Egyptian State Railways in London and have their names placed on the preferred list of Sir Arthur Webb. In 1919 the Egyptian railways imported 60,036 wooden sleepers and during the first seven months of 1920 some 109,341 sleepers. The United Kingdom and Scandinavia were the principal sources of supply.

The Egyptian State Railways use sleepers of 5-inch by 10-inch by 9 feet, and the Egyptian Light Railways sleepers of 4½-inch by 7-inch by 5 feet.

Coal.—Egypt like many other countries is crying out for coal supplies today, dependent as she is upon foreign mines for her coal requirements. In 1913, Egypt imported 1,721,415 tons of coal of which the United Kingdom supplied 1,548,768 tons, the United States 126,955 tons, and Germany 44,000 tons. The imports for the year 1919 amounted to only 565,520 tons, the United Kingdom supplying 493,806 tons of this quantity, and the United States 8,088 tons. During the seven-months 1920 period under review some 297,637 tons of coal were purchased, and of this amount the United States was the largest supplier with 126,692 tons, followed by the United Kingdom with 125,140 tons. It is interesting to notice that during the year 1916 coal from South Africa first made its appearance in Egypt when 10,024 tons were imported from this country. In the year 1919, South Africa supplied 61,605 tons and during the 1920 period 28,763 tons.

That the United States will permanently displace the United Kingdom as the principal coal supplying country of Egypt is extremely unlikely, and its temporary position as principal exporter is due to the disadvantages under which the coal mining industry of Great Britain has recently been labouring. The significant fact, however, is that coal from across the Atlantic has been sold in quite large quantities to Egypt and should Canada later be prepared to export coal to the Mediterranean on Canadian boats the importance of Egypt as a buying country should not be overlooked.

Cement.—In 1913, some 58,532 tons of cement were imported into Egypt, Belgium supplying 41 per cent or 24,776 tons. The next most important source of supply was the United Kingdom, with 13,743 tons. Austria sent forward 9,772 tons, France 7,174 tons, and Italy 1,170 tons. During 1919, 8,302 tons were imported principally from the United Kingdom (5,538 tons) and Spain (1,324 tons), but for the first seven months of 1920 the cement imports reached 20,794 tons, the United Kingdom supplying 6,438 tons, with smaller quantities from Russia, Italy, Belgium, France and Spain. Till the end of 1919, the Egyptian Government had a working agreement with la Société Anonyme des Ciments d'Egypte for the supplies, distribution, prices and sales of cement in Egypt. With foreign cement available, however, this arrangement was terminated, and what local production there is must now compete with cement from foreign countries.

DYES, COLOURS AND TANNING MATERIALS

Synthetic Dyes.—Before the war the annual imports into Egypt of synthetic dyes amounted to over 500 tons of artificial indigo and about 300 tons of aniline dyes, the whole of the former and two-thirds of the latter emanating from German sources. During the war efforts were made with marked success to promote trade in British-made dyes, and it was anticipated with the cessation of hostilities the opportunity would have been taken to develop this British trade. Shipments from Continental

sources, however, have recently been arriving, and it is stated that as a consequence the position gained by British products is being prejudiced. For example, during the first seven months of 1920 some 126 tons of synthetic indigo were imported and of this amount 50 tons is credited to Germany, 30 tons to Switzerland, and 45 tons to the United Kingdom. Out of some 24 tons of coal tar dyes imported during this period, though the United Kingdom was the principal supplier, with 12 tons, yet Germany figures in the returns for 5 tons, while Swiss imports are also noticeable.

During the war Egyptian dyers tried the long-neglected vegetable process for dyeing but without success. The market it is evident demands synthetic dyes, and if Canadian firms are prepared to offer artificial indigo, cotton black, Congo red or dional yellow, they should place themselves in touch with the Egyptian importers.

Colours, Paints and Varnishes.—The following tables will illustrate the imports of colours, paints and varnishes for the years 1913 and 1919, and for the first seven months of 1920. Owing to the reclassification of the customs returns, the statistics for 1913 do not correspond in detail with those for latter years:—

Varnishes of All Kinds

Country of Origin	1913 Tons	1919 Tons	1920
			(seven months) Tons
Germany.. . . .	30	....	—
Austria.. . . .	5	....	—
Belgium.. . . .	42	....	—
United States.. . . .	3	....	30
France.. . . .	34	19	8
Holland.. . . .	6	....	—
Italy.. . . .	6	....	—
United Kingdom.. . . .	75	145	109
Other countries.. . . .	....	34	5
	201	198	152

Zinc Oxide

Country of Origin	1913 Tons	1919 Tons	1920
			(seven months) Tons
Belgium.. . . .	504	....	290
France.. . . .	133	204	42
Holland.. . . .	18	....	—
United Kingdom.. . . .	3	36	3
Italy.. . . .	....	31	19
Other countries.. . . .	....	119	1
	658	390	355

Printing Ink

Country of Origin	1913 Tons	1919 Tons	1920
			(seven months) Tons
Germany.. . . .	11	....	—
Austria.. . . .	4	....	—
France.. . . .	11	8	11
Belgium.. . . .	1	....	—
United Kingdom.. . . .	16	36	47
Japan.. . . .	....	3	—
Other countries.. . . .	....	3	8
	43	44	66

Others N.O.S.

Product	1919 Tons	1920
		(seven months) Tons
White lead.. . . .	32	15
Red lead.. . . .	110	50
Barytes.. . . .	10	—
Whiting.. . . .	646	769
Laundry blue.. . . .	273	431
Writing and copying ink.. . . .	77	68
Painters' colours, n.o.s.. . . .	1,375	1,219

Great Britain at present is the principal source of supply for white lead, red lead, whiting, laundry blue and painters' colours, n.o.s. France and Belgium come second and third as contributing countries.

Egypt's principal paint trade is that in dry colours. Great Britain usually packs in big casks of 5 or 6 cwt., which are not convenient for handling. It is much preferable to pack in casks of from 50-100 kg.

Paints in oil arrive in the various colours (black, white, yellow, blue, Venetian red, red and green principally), and are packed in small tins of 1 and 2 pounds, and in larger tins of 7-14 pounds.

Ordinary varnishes are imported generally in 1 kilogramme tins and marine varnishes in tins of 12½ and 25 kilogrammes.

It was stated to the writer that zinc white is preferred in the trade to white lead. These products are packed in barrels of 50 kg. weight.

CHEMICALS, MEDICINAL PRODUCTS AND PERFUMERY

In the last prewar year, Egypt imported 76 tons of *carbonic acid*, 49 from Germany, 22 from Turkey, and 5 tons from Holland; 1,516 tons of *sulphuric acid* of which 1,052 tons came from Holland, 249 tons from Greece, 76 tons from France, 74 tons from the United Kingdom, and 57 tons from Germany; 960 tons of *caustic soda*, of which 437 tons arrived from Belgium and 523 tons from the United Kingdom; 138 tons of *sal-ammoniac*, Germany supplying 85 tons and Great Britain 53 tons; 71,654 tons of *chemical manures*, of which 35,284 tons were derived from Belgium, 27,621 tons from Chile, and 5,369 tons from Greece.

The figures for the year 1919 and for the first seven months of 1920 are more detailed. From these we learn that Egypt imported 800 kg. of *carbonic acid* in 1919 and 4 tons in the 1920 period; 90 tons and 59 tons of *hydrochloric acid* in the two periods respectively, France, Italy and the United Kingdom being the principal countries of origin; 22 tons and 21 tons of *nitric acid* supplied principally by Italy and the United Kingdom; 3,217 tons and 2,528 tons respectively of *sulphuric acid*, the United Kingdom controlling this trade, with smaller shipments from Holland, Italy and Japan; 41 tons and 5 tons of *tartaric acid*, of which Italy supplied the greatest amount; 13 tons and 2 tons respectively of *acetic acid*, the United Kingdom being the chief source of supply; 37 tons and 26 tons of *carbolic acid*, of which the United Kingdom and Italy furnished the largest quantities; 1,983 tons and 1,310 tons respectively, of *caustic soda*, mostly from the United Kingdom, with smaller supplies from the United States; 711 tons and 61 tons of *soda crystals* and *soda ash* mostly from the United Kingdom; 210 tons and 189 tons of *bicarbonate of soda*, this also an English trade; 108 tons and 201 tons of *potassium* and *sodium bichromate* from the United Kingdom, with small quantities derived from the United States; 1,031 tons and 457 tons of *alum* and *aluminous sulphates* including *alumino-ferric*, and of which Great Britain was the largest contributor; 180 tons and 194 tons respectively of *sal-ammoniac*, the trade being monopolized by United Kingdom; 811 tons and 98 tons of *copperas* from Italy and the United Kingdom; 29 tons and 2 tons of *copper sulphate* largely from the United Kingdom; 32 tons and 13 tons of *hyposulphite*, France being the chief source of supply, followed by the United Kingdom; 526 tons and 403 tons respectively of *silicates of potash and soda*, the United Kingdom controlling these imports; 144 tons and 58 tons of prepared *disinfectants*, mostly from United Kingdom, although smaller shipments were received from France; 115 tons and 91 tons of *calcium chloride*, almost entirely from the United Kingdom; 96 tons and 19 tons respectively of *naphthalene*, the United Kingdom largely supplying requirements; 56 tons and 49 tons of *sodium sulphate*, the United Kingdom, France and Spain being the chief sources of supply; 50 tons and 110 tons of *calcium carbide*, the United Kingdom, Italy, Sweden, Spain and France all figuring in these imports; 54 tons and

49 tons of *nitrate of soda*, mostly from Chile, with smaller shipments from the United Kingdom; 1,436 tons and 3,701 tons of *superphosphates*, almost entirely derived from Belgium; and 57 tons and 7 tons respectively of *glycerine*, this too arriving almost altogether from Great Britain.

Chemical Manures.—Apart from the advantages obtained by labour-saving methods and an adequate water supply for increased production, everything in Egyptian agriculture may be said to depend on the supply of manure for the constant renovation of the soil. Throughout the war there was a pronounced scarcity of chemical manures, especially nitrogenous ones, which rendered the augmenting of production practically impossible. This paucity of chemical fertilizers still continues. Cattle manure which might have been employed to some extent as a substitute, was employed more and more as a fuel, due to the rise in the price of coal, the absence of wood, and the growing demand of oil for culinary purposes. Straw and vegetable refuse which could to a small extent have been employed on the soil was all burnt in the same manner, and cotton seed cake usually exported as cattle food was also not available for manure, although containing valuable properties as it was in greater demand as fuel to keep the machinery running for ginning cotton.

Attention has been given in Egypt to the project of producing nitrate of lime or cyanamide by means of the employment of the water power developed at the sluice gates in the Assuan Dam, but though many proposals in this respect have been made nothing practically has as yet been done. Moreover, the extraction of nitrate of soda from the natural *tafla* deposit presents difficulties connected with the separation of the noxious from the valuable salts. No sulphate of ammonia or superphosphate is produced on a commercial scale of importance, although this latter could be made to a practically unlimited extent, as phosphate rock of good quality is most plentiful. In view, then, of the importance of chemical manures for Egyptian agriculture, and in view of the necessity of importing these products, local production being almost nil, Canadian exporters of fertilizers should apparently try out this market.

YARNS AND TEXTILES

Cotton Piece Goods.—The importation of cotton piece goods is in itself the most conspicuous item in Egyptian imports, and amounted in value annually to about £E. 35,000,000 before the war. Though the trade is well established, in which Great Britain and Italy divide the honours, yet it is thought advisable to allude to these imports in case Canadian manufacturers might desire, in working up a Mediterranean trade, to be posted as to Egyptian requirements.

In 1913 Egypt bought 19,998 tons and 60,226,618 metres of cotton fabrics. Of the former figure Great Britain supplied 18,922 tons, while Italy furnished 470 tons, Germany 257 tons, Austria 242 tons and France 58 tons. Very small consignments were received from Belgium (20 tons), Turkey (16 tons), Holland (6 tons) and Switzerland (5 tons). As regards the cotton fabrics supplied by length, the United Kingdom provided 38,613,378 metres, Italy 17,510,627 metres, Austria 1,675,357 metres, France 1,138,954 metres, Germany 757,318 metres, Belgium 325,912 metres, Holland 96,147 metres, Switzerland 50,164 metres, Spain 31,006 metres, and Japan 12,462 metres.

IMPORTS FOR 1919

The following table will illustrate the imports for the year 1919, the cotton fabrics being reclassified according to the new import statistics:—

Country of Origin		1919		1920 (first 7 months)	
<i>Cotton Piece-Goods, Grey—</i>		Tons	Metres	Tons	Metres
United Kingdom..	3,191	4,078,416	2,100	2,122,595	
British India..	40	102	13	—	
Japan..	420	732	169	—	
United States..	.....	.....	3	—	
Other countries..	8	2,650	8	36,571	
		3,659	4,081,900	2,303	2,159,166

IMPORTS FOR 1919—*Concluded*

Country of Origin.	1919		1920 (first 7 months)	
	Tons	Metres	Tons	Metres
<i>Cotton Piece-Goods, Bleached—</i>				
United Kingdom.. . . .	5,396	8,799,945	4,439	6,927,180
France.. . . .	1	45,140	27	22,144
Italy.. . . .	26	81,102	47	103,030
Japan.. . . .	1	19,700	1	16,877
Holland.. . . .	.....	.....	2	19,371
Other countries	1	63,181	6	180,570
	5,425	9,009,068	4,522	7,269,172
<i>Cotton-Piece Goods, Printed—</i>				
United Kingdom.. . . .	3,179	6,809,603	2,308	8,161,887
France.. . . .	6	116,039	8	183,510
Italy.. . . .	23	56,710	66	217,982
Japan.. . . .	6	4,722	4	5,394
Other countries.. . . .	1	72,144	9	166,432
	3,215	7,059,218	2,395	8,735,205
<i>Cotton Piece-Goods, Dyed in the Piece—</i>				
United Kingdom.. . . .	223	40,596,826	460	20,610,423
France.. . . .	1	46,273	2	16,042
Italy.. . . .	14	1,311,746	73	1,021,493
Japan.. . . .	.....	53,885	1	66,658
Other countries.. . . .	.....	184,173	6	442,129
	238	42,142,903	542	22,156,745
<i>Cotton Piece-Goods, Dyed in the Yarn—</i>				
United Kingdom.. . . .	273	17,606,060	579	16,314,078
France.. . . .	.....	42,283	4	68,232
Italy.. . . .	.....	6,734,955	117	7,556,407
Japan.. . . .	25	303,359	2	369,948
British Indies.. . . .	.....	.....	17	579,313
Other countries.. . . .	37	429,748	10	817,205
	335	25,116,405	729	25,705,183
Total of cotton-piece goods..	12,878	87,476,769	10,577	66,445,805

NEW TARIFF CLASSIFICATION

According to a new tariff arrangement effective from the 1st of July of this year cotton piece goods are classified as "light" and "heavy," i.e. fabrics up to 110 grammes per square metre are considered light, and fabrics over 110 grammes per square metre are considered heavy.

As the most recent published trade statistics are those for the month of July, it is only possible to refer to the imports of cotton fabrics for this month as based on the new tariff classification. According to these returns, however, out of a total of 220 tons of grey cotton piece goods imported during July, some 109 were classified as light and 111 as heavy; of the 556 tons of bleached, 84 tons were light and 472 tons were heavy; of 320 tons of printed, 45 were light and 275 were heavy; of the 298 tons imported of cotton piece goods dyed in the piece, 32 were light and 266 were heavy; and of the 337 tons of cotton piece goods imported dyed in the yarn, 6 were light and 331 heavy. Thus out of a total importation during the month of some 1,731 tons of various kinds of cotton piece goods, 276 tons were light or 16 per cent, and 1,455 tons, or 84 per cent of the imports, were heavy.

SOURCES OF ORIGIN FOR EGYPT'S IMPORTS OF COTTON PIECE GOODS

An examination of the foregoing statistical tables shows the pre-eminent position occupied by Great Britain as the supplying country for Egypt's cotton piece goods, with Italy the second source of origin. As regards grey and bleached piece goods,

they come mostly from Manchester, but small consignments were shipped from Italy and still smaller from France. These are sold in Egypt by importers to native dealers against acceptance payable in three or four months but in practice generally paid two or three months later. Printed calicoes were also mainly imported from the United Kingdom, but small quantities of plain calicoes from France and Switzerland are also in evidence. Italy and Austria monopolized the trade in pre-war days in flannel-ettes. Longer credits are usually given by importers for coloured goods, five to six months being the general payment terms. Before the war the imports of plain and fancy dyed cotton goods were principally derived from Italy, Austria and Germany, Continental countries precluding Great Britain from doing a larger share of the trade owing to the lower prices quoted although the quality of the goods was recognized to be inferior. This trade is largely carried on by commission agents and has greatly increased during recent years.

The significant feature in connection with Egypt's wartime trade in cotton fabrics was the strengthening of the Italian hold on the market, as Italy increased her exports of cotton piece goods to Egypt by over 50 per cent. The trade returns of the last few years, moreover, show another source of origin, viz. the United States, even if the competition to date may not be considered as very strong. The fact, however, is significant and should be an impetus to Canadian manufacturers of cotton textiles to exploit new markets as Egypt.

ADDITIONAL NOTES ON THE COTTON TEXTILE TRADE

Strange though it may seem to us Westerners, the wholesale cotton trade of Egypt is conducted in the celebrated mousky or bazaar district of Cairo and Alexandria, quarters which, though so familiar to the tourist, are nevertheless quite removed from the new business sections of the cities and most unattractive to the Western business man. Here, however, for many years, in this labyrinth of short and dirty streets, Egypt's biggest trade is put through, and as native buyers, through long experience, have become used to these business rendezvous, there is little likelihood that the centre of activity will be shifted. Not only is the cotton goods quarter well known but trade marks used in the textile trade are still better known to the buyer and the ultimate native consumer. The writer was informed that one trade mark alone could be sold as high as \$75,000. Such graphic pictures are employed as heads of famous sultans, Egyptian princesses, French or Indian soldiers, torches or flames. These marks and others have been used over so long a time that the purchaser in buying will demand a certain one of these to the exclusion of all others even though new trade marks may in themselves be equally as alluring. Many attempts are often made to disguise trade marks and represent them as the actual ones in favour. For example, one case was pointed out of a foreign firm using the word "Orentina" instead of "Argentina" under a certain picture and adding the same weird Arabic lettering as the owner of the original trade mark employed.

Without question the most important trade in the cotton textile line is that in prints. These came forward in pieces of 125 yards, 29 inches to 32 inches in width, and are cut locally in lengths of 60-62 yards. Some 100-150 pieces make up a bale for shipment, which inside is lined with cotton and which itself consists of jute.

The most popular colour is indigo, and out of every 100 pieces ordered at least 33 will be indigo and some 66 other colours. Sometimes one season will prefer one colour to another: this year the prevailing shade was brown.

There is a considerable import trade also in black sateens. Italy at one time monopolized this trade, but Manchester houses have more recently got in on this trade and are able to supply a product very similar if not identical to the Italian sateen. Sateens generally come folded in widths of 120 cm.

The trade in oxfords is not relatively so important as the business in zephyrs. Attempts have been made by British firms to oust Italian competition in these lines but with little success.

Much business is further done in chiffons which are generally imported white and dyed black by the native dealer in the villages. Chiffons with stripes of artificial silk are also largely sold, while chiffons in fancy colours for summer wear are popular. Autumn and winter are the seasons for flannelettes and as previously intimated, the bulk of these textiles are furnished by Italy.

The grey cotton piece goods are both made locally and imported. Japan during the war supplied a large quantity of cabots. Both local and imported varieties are of a very coarse nature but are used extensively by the fellaheen. Coarseness also characterizes the quality of a large part of the coloured piece goods imported.

Other cotton fabrics imported consist of suitings (a mercerized cotton), mattress coverings—which this year happen to be largely red in colour—cotton covers of all kinds, and cotton laces and embroideries.

When the writer was in Egypt in July it was estimated that at least \$500,000 worth of cotton fabrics were lying on the Alexandria docks unclaimed. This was due to overbuying and speculation especially on the part of small importers. An improvement before fall was, however, anticipated.

Woollen Goods.—Egypt, though having a warm climate buys not a small quantity of woollen fabrics. In 1913, for example, 1,870,559 metres of woollen fabrics were imported, the United Kingdom supplying 595,241 metres, Austria 420,536 metres, France 369,231 metres, Germany 344,345 metres, and Italy 120,077 metres. Over against these figures were 984,615 metres and 61 tons for 1919, and 72 tons and 1,409,638 metres for the first seven months of 1920. At present the United Kingdom, France and Italy in the order named are the chief countries of origin.

During 1913 some 117,600 woollen blankets were imported, the French Mediterranean possessions and Great Britain competing at that time for this trade. In 1919, the number of blankets imported amounted to 65,507, as well as 31 additional tons of blankets by weight, while during the seven-months period of 1920, 87 tons of blankets and 36,403 blankets by number were imported, the sources of supply being as in 1913.

Rope and Cordage.—For the year 1913 Egypt imported 1,567 tons of ropes and cordage, Italy supplying 562 tons, the United Kingdom 560 tons, and France 172 tons. During the first seven months of 1920 some 408 tons in all were imported, the United Kingdom being the principal source of supply (251 tons), followed by Italy with 121 tons; while last year (1919) Egypt purchased 575 tons of rope and cordage, the United Kingdom being responsible for 450 tons and Italy for 64 tons.

Underwear and Hosiery.—In pre-war days Germany did the largest Egyptian business in woollen underwear and hosiery, principally because prices were low and because Germany supplied the fancy colours demanded. France, however, competes in the higher grade goods, while Spain and Italy are important factors in supplying plain goods at a low cost, which are sold by weight and whose prices are much inferior to those quoted from England. In 1919 woollen hosiery valued at \$288,260 was imported, while during the 1920 period under review \$405,160 worth of woollen hosiery was purchased abroad. Latterly the United Kingdom has been the chief source of supply.

The imports of cotton hosiery and underwear are much more important and amounted to \$3,317,435 in 1919, and to \$3,925,705 in the first seven months of 1920. Japan, the United States, the United Kingdom, Spain, France and Italy are at present the leading countries of origin.

METALS AND THEIR MANUFACTURES

Owing to the reclassification of the customs tariff of Egypt it is impossible to give comparative figures for the imports under this category for the years 1913 and 1919. It has been thought useful, however, to set forth hereunder in one table the principal imports of interest to Canada for the year 1913, as shown in the Govern-

ment trade returns, and in a second table to show the imports as rearranged for 1919 and the first seven months of 1920 (figures for value are given only when the statistics for quantities are unavailable):—

Principal Metal Imports and their Manufactures for the Year 1913

		Tons	Tons	Value£E.
<i>Pig-iron—</i>				
	Total..		1,683	
	From United Kingdom..	1,463		
	“ Spain..	200		
<i>Cast-iron Pipes and Fittings—</i>				
	Total..		5,863	
	From United Kingdom..	3,301		
	“ France..	2,074		
<i>Cast-iron Ware, Hollowware, Enamelled and Varnished—</i>				
	Total..			40,919
	From Austria.. . . . .	.....	.....	33,901
<i>Iron and Steel Hoops—</i>				
	Total..		9,792	
	From United Kingdom..	6,420		
	“ Germany..	2,811		
	“ Belgium..	561		
<i>Joists and Girders—</i>				
	Total..		16,412	
	From Belgium..	14,325		
	“ United Kingdom..	1,641		
	“ United States..	207		
<i>Rails—</i>				
	Total..		26,484	
	From United Kingdom..	14,321		
	“ Belgium..	9,079		
	“ Germany..	3,084		
<i>Iron and Steel Bars, Angles, and other Manufactures, n.o.s.—</i>				
	Total..		26,353	
	From Belgium..	20,390		
	“ Germany..	3,084		
	“ United Kingdom..	1,721		
	“ Austria..	742		
	“ France..	309		
	“ Sweden..	54		
	“ Holland..	50		
	“ United States..	3		
<i>Constructional Iron and Steel Work—</i>				
	Total..		6,702	
	From Belgium..	3,204		
	“ United Kingdom..	1,962		
	“ France..	1,337		
<i>Iron and Steel Tubes and Pipes—</i>				
	Total..			158,114
	From United Kingdom.. . . . .	.....	.....	86,015
	“ Germany.. . . . .	.....	.....	52,271
	“ United States.. . . . .	.....	.....	10,143
<i>Ironmongery, n.o.s.—</i>				
	Total..			285,869
	From United Kingdom.. . . . .	.....	.....	140,260
	“ Germany.. . . . .	.....	.....	50,761
	“ Belgium.. . . . .	.....	.....	43,138
	“ France.. . . . .	.....	.....	28,057
	“ Holland.. . . . .	.....	.....	7,341
	“ Austria.. . . . .	.....	.....	3,174
	“ United States.. . . . .	.....	.....	1,004

Principal Metal Imports and their Manufactures for the Year 1913—Continued

	Tons	Tons	Value £E
<i>Locks and Locksmiths' Ware—</i>			
Total			110,925
From Germany			57,533
" United Kingdom			28,503
" France			12,456
" Belgium			8,145
" Austria			1,902
" United States			958
<i>Utensils and Tools in Iron and Steel—</i>			
Total			52,358
From United Kingdom			24,744
" Germany			9,923
" France			7,717
" United States			4,088
<i>Copper, Drawn or Rolled—</i>			
Total		1,336	
From United Kingdom	1,137		
" Germany	170		
" France	17		
<i>Lead Pipes—</i>			
Total		370	
From France	211		
" French Mediterranean possessions . .	74		
" Germany	53		
" Belgium	29		
<i>Agricultural Machinery—</i>			
Total			266,418
From Great Britain			195,833
" Germany			48,297
" France			11,603
" United States			6,319
" Switzerland			2,144
<i>Steam Engines, Fixed and Portable—</i>			
Total			182,175
From United Kingdom			127,541
" Austria			20,075
" Italy			10,930
" France			7,803
" Germany			7,111
" Holland			5,665
" United States			539
<i>Electrical Engines—</i>			
Total			65,750
From France			27,357
" United Kingdom			14,503
" Germany			7,594
" Belgium			6,335
" Germany			
" Austria			3,352
" Italy			3,091
" United States			2,516
<i>Engines (Petrol, Benzine and Gas)—</i>			
Total		No.	No.
			667
From United Kingdom			397
" Germany			102
" Italy			95
" Switzerland			56
" United States			1

Principal Metal Imports and their Manufactures for the Year 1913—Concluded

	Tons	Tons	Value £E.
<i>Other Engines and Parts—</i>			
Total.. . . .			£E. 231,750
From United Kingdom.. . . .			102,967
“ Germany.. . . .			36,481
“ France.. . . .			35,602
“ United States.. . . .			29,600
“ Switzerland.. . . .			9,026
“ Austria.. . . .			7,033
“ Italy.. . . .			4,809

Principal Imports of Metal Manufactures for 1919 and 1920

	1919	1920 (Jan.-July)
Iron or steel, bars and billets.. . . .Tons	4,127	10,540
“ “ “ angles and tees.. . . .“	686	316
“ “ “ girders and joists.. . . .“	1,427	2,120
“ “ “ sheets and plates (not galvanized).. . . .“	2,964	4,029
“ “ “ hoops and strips.. . . .“	7,475	4,669
“ “ “ rails and fittings.. . . .“	7,085	15,371
“ “ “ structural.. . . .“	663	1,730
“ “ “ pipes and fittings (wrought).. . . .“	1,904	1,885
“ “ “ rivets, bolts, nuts, washers.. . . .“	989	683
“ “ “ wire.. . . .“	562	481
“ “ “ wire rope.. . . .“	100	122
“ “ “ cable, chains, anchors and grapnels.. . . .“	144	199
“ “ “ sheets, galvanized.. . . .“	698	740
“ “ “ wire netting.. . . .“	177	166
“ “ “ pipes and fittings (cast).. . . .“	674	780
“ “ “ nails and screws.. . . .“	961	2,188
Pig iron.. . . .	1,713	1,137
Iron and steel hollowware, enamelled and japanned.. . . .£E.	55,338	162,421
Industrial implements and tools.. . . .“	76,029	90,410
Petroleum stoves and parts.. . . .“	52,053	106,804
Cutlery and tableware.. . . .“	66,602	99,589
Smallware, needles, pins, hooks and eyes.. . . .“	31,776	33,652
Locks and fittings.. . . .“	13,724	43,637
Door and window fittings.. . . .“	5,066	26,759
Safes.. . . .No.	235	551
Road rollers and tractors.. . . .“	2	4
Stationary steam engines.. . . .“	129	23
Stationary internal combustion engines.. . . .“	35	280
Portable steam and internal combustion engines.. . . .“	259	9
Pumps, power.. . . .“	223	253
Pumps, hand.. . . .“	223	602
Thrashing machines.. . . .“	9,523	9
Other agricultural machinery.. . . .£E.	12	71,061
Boilers.. . . .No.	3,191	7
Machine tools and parts.. . . .£E.	75,477	7,622
Sewing machines and parts.. . . .“	18,732	103,645
Electrical machinery and parts.. . . .“	31,012	41,579
Typewriters and parts.. . . .“	315,603	31,433
Machines and parts, n.o.s.. . . .“	295	375,348
Motor vehicles and chassis.. . . .No.	174	1,255
Motor cycles.. . . .“	1,102	342
Bicycles.. . . .“	41,694	1,550
Motor and bicycle parts.. . . .£E.	1,340	54,979
Copper and brass sheets.. . . .Tons.	109	2,086
Copper and brass tubing.. . . .“	29	55
Copper and brass wire (excluding telephone and tel- egraph).. . . .“	154	27
Electric cables, insulated.. . . .“	62	286
Uninsulated electric copper wire.. . . .“	41,820	42
Electric light fittings.. . . .£E.	16,404	48,216
Gas, electric and water meters.. . . .“	14,859	10,246
Oil lamps, lanterns and parts.. . . .“	13,405	40,794
Gas and electric pendants and brackets.. . . .“		22,836

NOTES OF THE IRON AND STEEL TRADE

In the last pre-war year the total imports of metals and their manufactures into Egypt amounted to some \$15,000,000. Of these imports those of *iron and steel* were very considerable, with the United Kingdom supplying a very substantial share, although Belgium was predominant in iron and steel plates, girders, and bar and angle iron. Imports of iron and steel products from Germany, however, were gaining ground before the war. It may be pointed out in this connection that black steel sheets to be adaptable to the Egyptian market should be 8 feet by 4 feet and $\frac{3}{16}$ -inch, $\frac{1}{4}$ -inch or $\frac{5}{16}$ -inch in thickness. Galvanized sheets of 28 and 30 Birmingham gauge are also in greatest demand. All such sheets are preferably packed in bundles of 50 kilos. The girders most in demand were of Continental section, of light and inferior quality for building work and were furnished principally by Belgium. Wrought and cast iron pipes and galvanized wrought iron pipes are largely imported for Government work and artesian wells. The significant feature of recent trade returns is the growing importance of the United States as a source of supply, cast iron pipes and fittings, joists and girders, and rails from the United States being in evidence. Notwithstanding this new competition the United Kingdom does the largest part of Egypt's iron and steel trade at present, with Belgium still the chief competitor. The only other factor of consequence in this import trade is France.

As regards *machine tools*, the market is extremely limited as there are but four or five machine shops of any importance in the country. One of these belongs to the Khedivial Mail Steamship Company, and a few others are operated in connection with the State Railways and Ports Administration.

The *hardware* trade of Egypt was largely in German hands before the war, and Germany had ousted Great Britain in this trade by sending fairly large consignments of inferior tools and other ironmongery at prices with which British manufacturers could not compete. In addition to the fact that the cheaper though inferior articles of hardware appealed to the native consumer, the Government in recent years encouraged this trade by purchasing for its departments and workshops through public tender apparently thereby favouring the lower-priced commodities. In cast-iron hollow-ware and enamelled goods Austria practically supplied the cheap tastes of the market. Latterly Italy and Japan have been catering to this cheap hollow-ware trade. Present trade returns indicate that the United Kingdom is doing the bulk of Egypt's hardware trade to-day, although France is also selling many hardware products while the United States is strengthening its once small hold on the market, especially in nails and screws, locks and fittings, and carpenters' hardware. Sweden and Switzerland are small sources of hardware supply to Egypt.

The trade in small petroleum stoves is worthy of notice inasmuch as there is a desire on the part of nearly every native household to possess one of these for cooking purposes. Sweden is at present the largest source of supply, and to this country is credited £E.90,152 worth of the petroleum stoves imported in the first seven months of 1920 out of a total importation valued at £E.106,804. Smaller competitors are France, the United States, Great Britain and Italy.

The imports of *cutlery and tableware* for the year 1919 amounted to £E.66,602, and for the first seven months of 1920 £E.99,589. The United Kingdom was responsible for £E.25,017 worth of these goods in the 1920 period, France for £E.20,944, Germany for £E.17,873, the United States for £E.14,862, Japan for £E.2,707, Switzerland for £E.964, and other countries, including Italy and Austria, for £E.17,222. The French style of table knife with a white metal handle, the better qualities more or less heavily silver-plated, is almost exclusively used in Egypt, the bone or ivory handle not being liked. Germany in pre-war years had most of this trade with an article similar to the French in appearance but selling at a lower price, and the most recent trade returns indicate Germany's return to this market. The imports from the United States are also significant.

Stocks of *lamp chimneys* also became very low during the war through the discontinuance of Austrian and German supplies, and there is said to be a permanent market for this kind of goods.

Motor Cars.—The most recent trade statistics show the increasing hold the United States is obtaining on the Egyptian automobile market. In 1919, some 295 cars in all were imported, and of this number 180 arrived from the United States, 56 from Great Britain, 20 from Italy and 4 from France, 35 being credited to other countries. During the first seven months of 1920, some 1,255 autos were imported, 910 coming from the United States, 134 from Italy, 94 from the United Kingdom, 70 from France, and 47 from other countries, including in the month of July alone, 11 cars from Germany and 1 from Belgium.

It seems, from conversations which the writer had with auto importers, that American cars have been given the preference on account of their cheapness and the certainty of their delivery. There is a full appreciation especially of the good qualities of British made cars, but while their superiority of finish and their durability are recognized, they are not being ordered on account of the high prices charged and the uncertainty of delivery. On the other hand, these same American cars are accused of various drawbacks, particularly the short life of the cheaper materials used, the generally short-stroke type of crank-shaft, which is such a frequent cause of bad bearings, the multiplicity of electrical gadgets not understood by the average native chauffeur and the inferior finish. The Egyptian market, however, for autos is on the increase and promises to develop to a considerable extent. The cars which are meeting with the largest sale at the present time are 4-passenger, 4 cylinder cars of 15-20 h.p. and 4-passenger, 6 cylinder cars of 20-24 h.p. Magneto ignition as opposed to battery is in favour. Moreover, it is to be remembered that autos are required generally for town work where roads are good, although some parts of the provincial highways are suitable for traffic of this kind. It may further be mentioned that Egypt is a flat country and there are very few places where hill-climbing powers are tested seriously.

The market in *typewriters* is practically controlled at present by American makes. Out of £E.31,433 worth of typewriters imported during the first seven months of 1920, some £E.26,272 came from the United States, £E.4,369 worth from the United Kingdom. £E.238 worth from France and £E.554 worth from other countries. The Canadian Empire typewriter is sold in Egypt to a limited extent.

Pumping Machinery and Engines.—The bulk of the machinery imported into Egypt is required for agricultural purposes, and the greater part of these imports have come from the United Kingdom, although Germany, by allowing in pre-war years unusually long credits, was thus able to compete in this market even though German machinery was inferior in quality and finish.

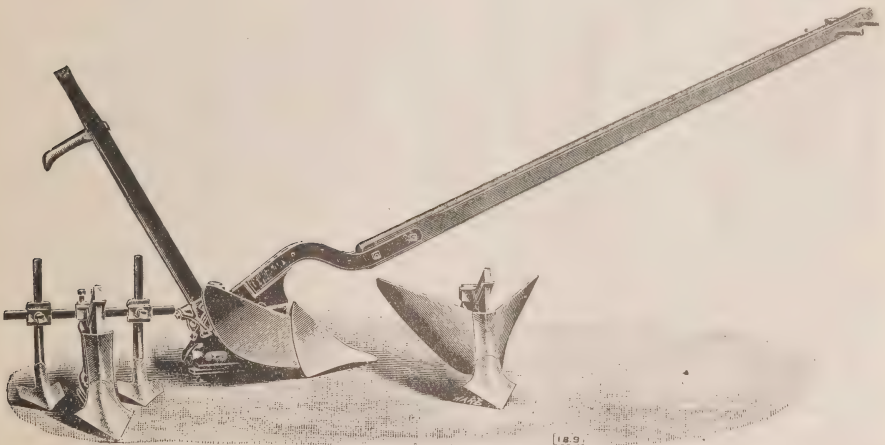
As has been pointed out in a previous part of this report, the agricultural wealth of the country is obtained from cultivation of the lands along the Nile by irrigation, and there is a marked need in Egypt for simple pumping apparatus to replace the tire-some hand labour now employed. The water at present is lifted for the most part to the fields from the Nile and from the labyrinthic canals by means of very primitive pumps, the "shadoof," which consists of a bucket on the end of a pole, raised and lowered by the peasant, and the "sakkieh," consisting of a series of buckets passing along an axle and turned usually by oxen or donkeys. Though such methods of watering prevail, yet pumps have been introduced, and importers of agricultural machinery are of the opinion, according to views expressed to the writer, that there is a fairly good market for various kinds of pumps. The average lift of water is from 15 to 30 feet, and hence both the ordinary pitcher spout suction pump and force pump are in demand. Throughout the large Egyptian estates there are sometimes found centrifugal pumps using either coal, kerosene or oil for propelling power, but owing to the cost of these kinds of pumps their sale has been greatly restricted. It may also be noticed that artesian well boring has recently created a considerable demand for

pumping machinery and pipes. The size of pumps generally used in connection with Egyptian irrigation varies from 6 inches to 12 inches in diameter. The writer is inclined to believe that there will be in Egypt a fairly good sale, during the next few years, of the cheaper kinds of pumps to be run by oil or gasoline motors and for ordinary hand pumps. In 1919 some 259 power pumps and 602 hand pumps were brought in. As regards power pumps, Great Britain supplied during this latter period 132 of the number, the United States 41, Switzerland 18, while 62 came from other countries, the principal "other" country being France. The United Kingdom also led in exports of hand pumps and sent 234 during the January-July period of 1920, followed by the United States with 180. Italy exported to Egypt in the month of July of this year about 113 pumps.

The most common type of *engines* seen in the country districts are portable, including steam locomobiles of 8-10 and 12 horse-power and refined kerosene engines. The trade at present is supplied by the United Kingdom, Switzerland, and Sweden in the order named.

AGRICULTURAL MACHINERY

The agricultural machinery of Egypt is exceedingly rudimentary and defective. The fellaheen clings to the most primitive type of instrument, and in no way is this better illustrated than by the plough, the most common implement in agricultural use. The form of the Egyptian plough is today precisely the same as it was 5,000 years ago, and consists of a pole about 6 feet long drawn by an ox or buffalo attached to it by means of a yoke, while to the other end is fastened a piece of wood bent inwards at an acute angle and shod with a three-pronged piece of iron. Connected with the



Type of Plough in demand in Egypt.

Size of furrow in inches—5 to 9 inches deep and 9 to 12 inches wide. Average weight 125 pounds. Draught 2 oxen.

pole is the handle which is held by the peasant. These rude and light ploughs naturally penetrate but lightly the soil.

The largest importer of agricultural machinery in Egypt told the writer that many attempts had been made, especially by English houses, to popularize an imported plough, but without any conspicuous success, due partly, it was explained, to the conservativeness of the peasant and the higher price demanded for an imported plough. Of course many ploughs have been imported into Egypt, but their total number is relatively small in view of the agricultural nature of the country. One English firm has turned out a plough, after a very careful study of the soil and other agricultural conditions in Egypt, which is claimed to be one of the implements best adapted to Egyptian needs. But this, too, sells only sparingly, due to its laid-down cost. A reproduction of this plough is seen above.

In endeavouring to work up a plough trade in Egypt it is to be remembered that no really heavy ploughing is ever required except in cases of reclamation, and that the rich, stoneless alluvium only requires the shallow treatment which can be given by a cultivator or light disc-plough.

The *harrow* is replaced in Egypt by a roller provided with iron spikes. The only tool in general use by the natives on their fields or in making embankments of earth is a kind of *hoe* or *shovel*. Horse hoes, ridgers and cultivators are only occasionally sold in Egypt, and those few which have been imported come almost entirely from the United States.

The process of reaping as a rule consists of cutting the grain with a sickle or simply uprooting it by hand. The "norag" or native thrashing-sledge consists of a kind of sledge resting on a roller provided with sharp semi-circular steel discs and drawn by oxen or buffaloes. This primitive machine when driven over the grain detaches the grain, and at the same time reduces the straw to a fine chaff. After thrashing the grain is separated from the chaff by tossing the thrashed mass in the air and winnowing by the wind whereby the chaff is separated from the heavier matter, consisting of grain, hard lumps of weed, and pieces of straw, together with pulse seeds and other foreign matter which have been harvested with the grain. An adaptation of the European winnower, however, made by the village carpenter is increasingly coming into use, the essential part of the winnower being the powerful fan which blows the chaffed straw clear of the grain. On the larger agricultural estates a combined thrasher and chaff cutter is sometimes seen, the Ruston and Proctor model being the best known in Egypt. It will be clear from the foregoing that such harvesting methods do not yield a very clean grain, and naturally the flour derived therefrom is often dark and mixed with various impurities. A general adoption of modern thrashing machinery would revolutionize the conditions respecting the country's grain food supply and create a stable market for grain based upon its flour value, unhindered by the factor introduced by the presence or absence of from 4 to 12 per cent of mud which obtains by the "norag" system, and which is incapable of being removed by any mechanical means known without subsequent discoloration of the flour. The sizes of thrashing machines most adaptable to Egypt are those capable of doing 10 bushels per hour for estates of 400 to 600 acres, and machines capable of doing 25 bushels per hour for landowners of 1,000 acres.

Though it is impossible to describe Egypt as a large market for agricultural machinery, yet it is to be considered that Egypt's wealth lies in its agriculture and that old conditions and propensities are likely to change. The number of cattle has diminished by at least 25 per cent since 1913, labour has more than trebled in price, and large landowners at least will probably wish to employ almost any kind of agricultural machinery which will tend to cut down the price and time of ploughing, sowing, and harvesting. But any attempt to sell agricultural machinery would be futile unless such machinery is adapted to the needs of the country, and what is more, the natives must be taught to use them. Moreover, they must all be light and smaller than those commonly used in Canada.

There remains to speak of the market for *tractors* in Egypt. Reference was made in the *Weekly Bulletin* No. 865 to the coming tractor trials in Cairo the first of 1920. In fact, this is the second series of official tests which have taken place recently in Egypt. A tractor capable of ploughing 5 acres a day effectively and one ploughing 15 acres, weighing not more than 1,200 pounds and 2,000 pounds respectively, would seem to meet with most favour. It is to be remembered that the Egyptian soil is light and the land is generally bisected by canals and drains, which make it necessary for the tractors to cross these canals and drains on light bridges without breaking the banks. Farm tractors using kerosene are most advisable, as kerosene can be found anywhere throughout the country. Benzine, on the other hand, can only be secured in the large centres.

The real crux of the tractor situation,—and we may apply this to the entire market for agricultural machinery in Egypt—lies in the application of motor ploughing

and thrashing to small holdings which, as previously pointed out, represent about 80 per cent of the total cultivated lands. It is obvious that proprietors of small farms cannot afford the purchase of a motor tractor or, as a matter of fact, of any expensive machinery. There is still, it seems, a lack of sufficient cohesion among the village proprietors to co-operate in the joint ownership of a machine, and the co-operative system of purchase and use could be applied only in a few instances at the present time with success, although the realization of its advantages may gradually become apparent.

The market then for tractors and for agricultural machinery generally is confined chiefly to the larger landowners, although only time will tell whether co-operation among the neighbouring small proprietors, fostered either by some organization within themselves or by Government initiative, will considerably enlarge the existing possibilities for selling agricultural machinery in Egypt.

REGULATIONS CONCERNING TRAVELLERS AND SAMPLES IN EGYPT

No special regulations exist in Egypt and no license fees of any kind are required from commercial travellers even though they sell their samples. Samples of no commercial value are admitted into Egypt free of duty, while samples of commercial value are admitted on payment of a deposit of the amount of duty. The deposit is refunded if the samples are re-exported within twelve months. Commercial catalogues and advertising matter imported into Egypt are dutiable, although in practice this duty is never collected except on a nominal valuation.

REPRESENTATION FOR CANADIAN FIRMS

The writer would point out that the best representation on the whole for the sale of Canadian goods in Egypt is a local commission agent. Whether he is to be Levantine or British must be decided by the home exporter, who will find many more of the former class to choose from than from the latter. Egypt, it has been well said, shows the Levantine merchant at his best and worst. He may be of Greek, Jewish, Italian, Maltese, Syrian or Coptic blood, or he may be of mixed race, but owing to long residence and experience in the Levant he is sure to be Oriental by instinct and habit. He will always know the country, will speak brilliantly the necessary languages, will be familiar with local trade conditions and will know the peculiar tastes of the market. He is often an ideal salesman among a large part of the buying clientele who in Egypt employ such leisurely and yet keen methods of bargaining, and who often prefer "illicit gain at the expense of more substantial advantage". If market prices fall between the time of order and the arrival of goods he may sometimes refuse to take up covering documents. On the other hand, if the market prices rise in value during the interval he may sell the goods at a greater profit to others for whom the merchandise was not intended, and declare to the real purchaser that the goods have not arrived; or he may again endeavour to increase his earnings by selling through sub-agents, invoicing the goods at higher figures. On every side he will be tempted by business "bakshish" or bribery, and he may or may not yield. He may further use business letter headings specially printed for the purpose of making agency application which often indicate anything but the truth. The fact that the *del credere* system has been perhaps more common in the Egyptian trade than in any other is sufficiently suggestive of the nature of manufacturers' and exporters' past experience of Levantine agents.

There are, of course, many sound and reputable importing houses in Egypt and the Levant countries, and they are not necessarily all of North European origin, but in negotiating business connections in these markets the strictest precautions should be invariably employed. No Canadian exporter should open up any commercial relation with Egypt unless he knows from first hand and authentic sources the kind of people with whom he is proposing to close. This preliminary investigation should

not be difficult at present. From the office of the Commercial Secretary of the Residency, Cairo, from the offices of the British Chamber of Commerce at Alexandria and Cairo, and from the offices of the leading banks in Egypt this requisite information can be obtained. Of course personal investigation on the spot is preferable even if not in all cases practical.

Unfortunately the English commission agent in Egypt is not generally so conversant with the market as the Levantine merchant, but it is a fact to be noted that several good British houses are already established and have been recently opening up in Egypt, and the claims of such importing firms on our manufacturers cannot be disregarded even if on the whole the Greeks, more than any other nationality, best know the market. It may be mentioned that there are a few big departmental stores in Alexandria and Cairo who buy direct, and that there also exist some well-known merchants who buy on their own account, but the bulk of Egyptian business is carried on by the commission agent.

Terms of credit and commissions payable naturally vary, and these must be decided upon once the Canadian manufacturer is assured of the right choice of his agent. Credits longer than three months were often granted by German firms before the war, but this limit with many payments in thirty or sixty days may be said to be the general rule of the market, even if in practice extensions are sometimes desirable.

LANGUAGE FOR CATALOGUES

French, and not English, is better understood in Egyptian commercial circles, although of course Arabic is the tongue of the native. The writer is of the opinion, however, that catalogues and literature in French and weights and measures according to the metric system are preferable in Egypt. Of course English is spoken among a large number of the business classes, and advertising matter used in English-speaking Canada will often suffice.

METHOD OF QUOTING PRICES

Prices generally should be quoted c.i.f. Alexandria, and it is to be hoped that before long a Canadian steamship service direct with the Mediterranean will facilitate this method of quotation for our manufacturers and exporters.

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